

**Case Closed: lessons learned from the study
of a manufacturing plant closure concerning
leadership and the management of change**

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Abstract

The research presented in this thesis is a study of a site closure. The author was in the position of site director at the time of the announcement of the closure and was also responsible for its implementation. The broad research aim was to explore the experiences of employees and managers during the closure process. The primary objectives were to develop a richer understanding of the perceptions and responses of the people involved and the impact of leadership style, as well as to aid the achievement of an effective and socially responsible closure.

Closure was conceptualised as an extreme form of organizational change and the study was informed by a review of the literature in the broad field of the management of change and the specific field of plant closure. Compared with other contexts of organizational change, it was apparent that closure is under-researched, so much so that it has been termed the 'forgotten topic' (Woodford et al. 2009). One reason for this gap is the sensitivity of most closure contexts, operating at the personal, corporate and community levels.

Given the research aim of understanding subjective experiences, a relativist ontological assumption and interpretivist epistemological perspective were adopted. This informed the choice of a qualitative research design, which took the form of a single case study with an explorative purpose. Data collection encompassed semi-structured interviews, supported by observation and documentation review. A sample of 20 employees was selected and recruited, approximating to 25% of the workforce, and the interviews were conducted throughout the closure process.

The organizational context was revealed to be an important factor in what was widely regarded as an effective closure. There was a high degree of organisational trust at the outset, due in part to community-based employment and relatively long staff tenures. This was enhanced during the closure by feelings of shared fate and mutual responsibility, as most of the management were also being laid off, facilitated by a situationally contingent leadership style that was sensitive to diverse personal needs and aspirations.

The research resulted in several significant contributions to knowledge. New insights were developed into the 'productivity paradox': the widely observed tendency for productivity increases to occur in closing plants (Wigblad et al. 2007). Through tapping into emotional responses, it was found that a shared sense of injustice was a powerful bonding mechanism throughout the workforce, including with members of the management team.

Little attention is given to leadership style within the extant literature on plant closure, with no specific acknowledgement yet given to it in the developing subfield of socially responsible closure. The study demonstrated that it was indeed a powerful enabler of an effective and socially responsible closure in this organizational context.

Emotion is an important issue in all organizational change but perhaps this is most true of plant closure. It was found that emotional responses experienced by employees correlate well with the Kübler-Ross (1973) and Bridges (2001) models of human transitions in times of extremely stressful change. In particular, the employee shock, frustration, bargaining and acceptance phases can be used effectively to help in understanding employee responses and enabling appropriate support. An important element of this support was the acknowledgement of diversity of personal situation and aspirations among employees. Diversity is rarely acknowledged within the change literature but in this case it was shown to be an important factor, recognition of which enabled the management team to develop differentiated forms of support, contributing significantly to an effective and socially responsible closure.

It's amazing we use all these euphemisms, downsizing, outsourcing, rightsizing. When all it means is you just lost your job and you have no way to pay your rent or mortgage. Don't know where your kids are going to get money for clothes or food. We've lost the human pathos, the empathy and drama. I hear it all the time – we've built many plants, but we've never closed one. We don't know what to do, don't know how to start, don't know where to go.' Jon Clark, Owner of Plant Closing News, quoted in *Punching Out: One Year in a Closing Auto Plant*, Paul Clemens (2011).

Declaration

I declare that the work in this thesis was carried out in accordance with the regulations of the University of Gloucestershire and is original except where indicated by specific reference in the text. No part of the thesis has been submitted as part of any other academic award. The thesis has not been presented to any other education institution in the United Kingdom or overseas.

Any views expressed in the thesis are those of the author and in no way represent those of the University

Signed:

Date: 06/06/2017

Acknowledgements

I dedicate this thesis to my parents, wife and children who have been eternally patient with me with respect to time taken to complete this all-consuming piece of work. It is an undertaking which I underestimated significantly, in equal proportion to the sense of achievement experienced when receiving confirmation of the doctoral award after many years of effort and perseverance.

My thanks extend in particular to Ged Watt, who has certainly burnt the candle at both ends to ensure I had wise counsel, guidance and the experience of a well-respected academic who has helped many students successfully navigate the arduous doctoral journey. The encouragement to keep going during early morning meetings over coffee or late evening calls will not be forgotten and is something for which I'm eternally grateful.

This thesis, I feel, is a beautiful reciprocal arrangement. I've learnt and reflected on the literature of others, both academics and management practitioners. I've been educated by the university staff through the stimulating taught doctoral modules and particularly by my research supervisors sharing their own experiences. I feel the study presented in the text that follows, is a sincere contribution to both knowledge and practice and that other leaders and academics have an opportunity to learn from it. I trust that it might offer some source of comfort for an executive facing a similar closure proposition and furthermore, offer other researchers an insight into the facility closure experience.

In a way, this research has been cathartic, at a personal level as I have come to terms with the plant closing myself. This has been important, since making sense of the closure personally and offering a lasting contribution was an objective I set out at the beginning of the research proposition. This hasn't been easy in an academic, spiritual or life balance perspective. However, those things worthwhile and meaningful, are seldom easy and very rarely without sacrifice.

Finally, I would like to acknowledge the contributions of the Gloucester manufacturing plant staff, who were consummate professionals to the very end of the organisations' death and their ultimate redundancy. It is their voices that live through this work and it is the collective experience of a proud team, letting go and navigating a new beginning that offers genuine hope for others facing a similar workplace challenge.

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Chapter 1: Introduction

The real voyage of discovery consists not in seeking out new landscapes but in having new eyes. (Marcel Proust)

1.1 Background

The research presented here is a study of the closure of a pharmaceutical manufacturing plant. The study set out to explore the experiences of the closure process as perceived by the members of the employment community, both the management team tasked with implementing the closure and the non-management employees whose employment would be terminated. The author is an experienced site director who was faced with the unenviable task of closing the site, which was biggest challenge in his career to date with respect to complexity and the intensity of the emotions involved.

Prior to writing this introduction, the author has revisited the repurposed industrial units that once housed the manufacturing facilities of GE Healthcare, a world-leading pharmaceutical products and services provider. As a former employee, he found it easy to recollect the hive of activity that the site once was, generating \$300m per annum for one of world's largest companies. Now the facility is bereft of any signs of its former ownership, the activities that took place or the human organisation that occupied it.

A combination of strategic, historical, political and financial factors led to the decision to rationalise supply chain capacity and close the site. The site management team considered themselves powerless with respect to influencing the decision to close. However, the capability and responsibility of site management to positively influence the experience of employees as victims of industrial change was understood, as was the importance of striving to optimise the outcomes for the company and its reputation. This thesis is an attempt to make sense of that leadership challenge and to provide something meaningful and ultimately transcendent from the metaphorical ashes of the General Electric Gloucester manufacturing facility.

Closing the site unfolded as a stressful and emotionally draining event. It presented the management team with one of its greatest staff motivation challenges and opportunities for change management competence and consequent leadership development.

To execute the instruction of closing a site – in effect presiding over an organisational death – has a gravity of responsibility that infuses all subsequent management activity. That there are risks involved in closing a facility is accepted by most senior management teams and as such the decision to close requires

significant assessments and much management deliberation. Once the decision is made, the leadership approach taken is very much a product of legacy, circumstances but also choice. This choice, however, is not always well informed but it is clear to the author that informed selection and execution of leadership strategy will determine the experience of employees, managers, customers, community and other stakeholders. At one end of the continuum of outcomes can be strife, grievance, employee conflict and an environment of distrust, with the deployment of close management oversight. As an alternative, there is the possibility of the liberating experiences of autonomy and collaboration in a high trust environment with low surveillance and a return of higher levels of productivity. Of course, the range of outcomes is not binary and there are many options within such a continuum with regard to the management road to be travelled.

Although the choice seems obvious, in an environment of high stakes and emotions for employees and managers alike, the management team can often default to distrust and close surveillance in an effort to 'batten down the hatches and weather the storm' in the midst of the tempest of an unpopular decision. In some ways this is understandable, since for some companies high stakes encourage conservative, high control tactics during the community's final days.

From the parent company's perspective, the continuity of supply of \$300m in value of key medical products was potentially at risk. The stakes were certainly high and whether or not a 'better way' might have been articulated, it was the conservative 'safe way' which was considered to offer more predictability and control for the organisation. Although this approach was initially accepted as the route forward as directed by executive management, the closure unfolded in an altogether different way.

1.2 The Research Context

The context for the research is the pharmaceutical industry, and specifically GE Healthcare's Gloucester manufacturing plant which supplied sterile injectable products used for imaging the major body organs for the oncology, neurology and cardiology disciplines. The site had existed since 1974 and the portfolio of products had grown to make it the most profitable site within the Amersham Plc portfolio of global sites. This was partly due to its small size, flexibility of the workforce and contemporary technology. A maximum of 140 employees were employed at the facility and many had joined for the lure of job security that a large global corporation offered.

In 1997 Amersham plc merged with Norwegian pharmaceutical giant Nycomed to form Nycomed-Amersham. To maximise the utilisation of all sites within the new Nycomed-Amersham some UK manufactured products were transferred to Norway and the USA in 2002 to avoid the need for additional capital expenditure in expensive aseptic processing machinery. In the year 2000, the facility entered a new

millennium by celebrating a milestone known as '100 for 100'. This signified that the site had earned £100 MM of annual revenue through the efforts of 100 employees, a record unsurpassed in the history of Amersham, a FTSE 100 member at the time.

The most significant change for the site came in 2004 when Nycomed-Amersham became the largest acquisition to date (£8bn) for General Electric, the US industrial giant. The company has a reputation for taking a hard line on efficiencies and the identification of synergies between its existing facilities, which ultimately led to 'footprint rationalisation' and the incorporation of the Gloucester site closure into a redesign of the global supply chain.

Just six years later, the site's history of achievement was brought to a crushing conclusion by the announcement of the site closure. The modest size of the site, which had previously been a strength, became a fatal weakness following the implementation of supply chain consolidation by GE, which was pursuing a strategy of maximising revenues from its larger sites and rationalising the number of its 'rooftops'. Accordingly, senior executives and the author announced a three-year closure plan at the site in July 2010.

Looking at the site today, it is difficult to imagine that the six modest industrial units, now overgrown with weeds, were once the scene of a bustling facility which during its life had generated in excess of £1bn of revenues for three different pharmaceutical companies.

1.3 Evolution of the research topic

When handed the task of closing a facility, the author considered it a disagreeable and unwelcome task. Being asked to terminate the life of a facility with a proud history and heritage was not a challenge he embraced with any degree of enthusiasm. No matter how the senior executives dressed up the achievement of eliminating an entire business community as an attractive restructuring competence on a leadership CV, the author came to dread the task of announcing the decision to close the site. In fact, the dark moment he can recall when being told of the corporate decision to close the facility was followed by an emotional rollercoaster, which to this day, evokes some quite painful and uncomfortable memories. In his twenty-five years of working life, no moment has surpassed in intensity and emotion the time when the author announced in a plenary site meeting that the entire facility was to close and almost a hundred employees, including himself, were to be made redundant.

Reflecting on that moment as the thesis is written, some years later, it is clear that the genesis of the study occurred then. The author's resolve to apply existing theory to the closure event and then the motivation to articulate meaningful improvements based on the actual experience of others emerged at that point and has been the catalyst required to complete such a significantly time-consuming piece of work. The

desire to add informed relevance to the practice of leaders who have to undertake such an unenviable change management task has been of critical importance to the author.

At the time of the closure, the author had been a leader within GE for over a decade and beneficiary of a great deal of management development, mentoring and coaching. Having worked through periods of significant business growth, crisis recovery, restructuring and new product introductions, the author considers leading the plant closure to be the greatest management challenge in his career to date. In the period that followed the pain of the announcement, an inner resolve to make the best of the hand that had been dealt to him emerged, along with a desire to learn and share those lessons with other leaders having to make the unenviable journey toward the termination of an organisation's life.

When the author began to reflect on how he might 'make the best of a bad hand' and learn from the experience, the challenges of such a proposition began to manifest themselves. It soon became apparent that, despite the frequent occurrence of plant closures, there is no 'how to' manual. As he had recently enrolled on the University of Gloucestershire's DBA programme and been introduced to the notion of reflective practice, the author's first response was to turn to the literature for help. However, it was quickly confirmed that 'knowing what to do' in the context of plant closure seemed, particularly when acknowledging the prevalence of closure events, to be an underdeveloped field of research.

Despite the lack of useful literature specific to plant closure, close personal involvement in the closure offered a rare opportunity to conduct research in what is widely acknowledged to be an under-researched field. One reason for this is that, because of the sensitivities and vulnerability inherent in business closures, organisations are reluctant to invite researchers into such emotionally fragile environments. For the author, however, the closing site offered an opportunity to understand leadership and change dynamics in the midst of a relatively extreme form of change. Inevitably, this raised many more questions. Where does one begin in developing a research proposal around an organisational death? What should be included in the boundaries of the research? What would be the focus? Who should be consulted? Was the time-frame realistic? There were many more uncertainties.

An initial solution to the problem of focus soon emerged. When accepting the challenge, the author was told by senior management that the Change Acceleration Process (CAP: a GE change management model) would prove useful, as it had been successfully applied for numerous business life cycle interventions. Although the author accepted the proposition and advice, a number of questions soon arose regarding its applicability in the scenario of a site closure. As a leader, his interest grew in how the staff would respond to inevitable redundancy whilst being asked to uphold the high GE standards of manufacturing, supply and service. He also wondered how the employees would view the management team who would execute

the plan but were in similar position themselves. This initial curiosity has led to this study, a large part of which is essentially the curated experience of managers and employees alike, with an intention to learn from the case in a practical way and also to contextualise the findings within the world of research.

Initially, a number of off-site workshops were conducted, with the management team working through the building blocks of GE's CAP change management model. The language of the model, the recipe for successful change and the drive to expediently deal with change ignited the author's curiosity. Could such a simple model, applied to the circumstances of facility closure, work effectively? The original research intention was therefore focused on exploring the potential effectiveness of this particular model. As the research progressed, it not only became evident that the CAP model was over-prescriptive and deficient in several ways, but also that the context offered a gateway into several possible ways of developing the research around the experiences of the people impacted by the closure.

The author's primary motivation for the research was to develop a deeper understanding of the individual and collective experiences of change at a closing facility, as well as the impacts of change strategies and leadership approaches. In particular, he wanted to explore the ways in which employees navigated the profound personal changes during the closure process. Importantly, the research was also designed to reflect the management journey during a closure. The author's responsibility for other managers who were leading the process provided a different dimension of personal involvement and was in itself an area worthy of investigation.

More broadly, the evolving study rapidly exposed the deficiencies of a prescriptive and simplistic view of organisation change. Through exploring the actual experiences of employees and managers, the author was able to gain many insights into the real world application of change strategies, which had a transformative impact on his understanding of the criticality of the leadership approach to organisational change, as well as the underlying assumptions that drive it.

Locking the gates for last time of a once thriving manufacturing site has left an indelible mark on a Site Director with well over twenty years of industry experience. No work task has matched the emotional intensity of announcing of a workplace shutdown. It is simply, the most difficult assignment the author has ever been given and one that has built character, compassion, resilience and, one would hope, a little wisdom.

1.4 Location of the study: site closure as organisational change

Plant closure may well be a natural event, as much part of the business cycle as a start-up, growth and diversification. However, it can be an unpleasant experience for employees, management, investors, customers and suppliers (Fackler 2012). A site death may be as natural as its birth, but like any death it is a painful experience to

endure for those involved. The organisation which was created with passion and urgency is now dismantled and exists no more. The discarded pieces are the people who made up the organisation chart created by the company for a particular purpose. Once a site's purpose is no longer considered necessary for the organisation, neither are the people who work there.

Fotheringill & Guy (1990) argue that the finality of a closure makes it worthy of attention since the jobs are lost forever. However, much more is lost, including the ways of doing things, working together and relating to each other – in other words, an organisation and its culture. Moreover, the *process* of a closure is also worthy of study. The transfer of resources and activities while maintaining production raises a complex set of management challenges, particularly in a closely regulated industry such as the manufacture of pharmaceuticals. More complex still are the intense emotional journeys that are experienced by everyone travelling the path from announcement to exit.

Bergman and Wigblad (1999) argue that a closure may usefully be regarded as an extreme example of strategic change, since employees collectively face unemployment whilst the community loses an industrial asset and all the potential that exists with its continuity. The closure that provided the context for the research was certainly strategic, as it was driven by GE's global strategic rationalisation. It was clearly also a process of profound change and transformation, resulting in the relocation of the entirety of the site's activities and the dismantling of a complex human organisation with deep roots in the local community.

This research has addressed the site closure as an example of complex organisational change, exploring the experiences of the employment community of both personal and collective change. It has also explored the application of change management initiatives and the impact of leadership style. Given this perspective, the literature review that informed the research was drawn mostly from the body of work that focuses on organisational change and its management. That is also where the contributions to knowledge that resulted from the research are located.

1.5 Research Purpose – Aims, Questions and Objectives

The aim of the research is to develop a richer understanding of the facility closure experience for employees and managers, with an eye toward change strategies and leadership approach. The author's view is that the focuses of the study are interwoven, in that understanding the experience of staff in the midst of a site closure leads to the analysis of the change management and leadership strategy adopted. In turn, the work can provide guidance of real utility value for management practitioners willing to engage with an individual case study offering a distillation of lessons learned. Therefore, it is the author's belief that such an appreciation of the experience of the Gloucester site community has generated a work of value in a

practical sense, as a lived experience for other interested parties to absorb and process for the purposes of informing management practice in such circumstances.

The research has explored the ways in which members of the staff community experience change during a facility closure, navigate the road to redundancy and manage their own personal change. There are also important insights into experiences of managers who have to continue leading their teams whilst considering their own futures. The exploration of the ways in which employees perceive and evaluate management actions during a facility closure provides understanding of the criticality of trust and justice in such challenging scenarios. Ultimately the author asserts that the work, as an individual case, contributes to a deeper appreciation of facility closure as an organisational change process.

With this broad research aim in mind the researcher has expanded it into the following research questions:

- RQ1: How is change experienced by employees and managers during a facility closure?
- RQ2: How applicable are change management models to facility closure scenarios?
- RQ3: How does leadership approach impact on the management of a facility closure?

The research therefore sets out to explore and interpret the experience of employees as a facility closes, embracing the time period from announcement to final exit. There is also an exploration of leadership approach and the value of change management models in informing management thinking. The author has recognised that this is an under-researched area, following an extensive review of the extant literature.

The author believes that the research findings and their interpretation will constitute a significant contribution to knowledge. This is an outcome of a broad-ranging literature review, which confirmed that that the area of plant closure is widely considered to be under-researched (Butler 2009; Raturi 2009; Havila & Medlin 2012). It is therefore argued that the new insights gained from the research will provide meaningful contributions both to extant knowledge and to future practice.

1.6 Structure of the thesis

What follows is the culmination of three years' research at the facility, followed by several more years of sense-making, analysis, interpretation, reflection and writing of the thesis. It has been an immensely enjoyable and yet very challenging piece of research to execute and subsequently craft into a thesis. However, it is the author's belief that there is a strong case and evidence for a knowledge gap, a credible and robust methodology, the building of solid findings and ultimately convincing arguments for new insights and contributions to knowledge.

Chapter Two addresses the extant literature, providing a knowledge base for the research and clarifying the focus of the research, by identifying its current limitations and clarifying the areas for potential contributions. Starting from the broad universe of organisational change and change management, the discussion embraces the sub-fields of change leadership and trust and provides a comprehensive overview of research specific to plant closures. It is concluded that the literature surrounding closure is sparse and particularly deficient in the understanding of employee and manager experiences when compared with other change contexts. Moreover, the application of change management strategies and leadership styles were found to not have been examined systematically in the context of closure.

Chapter Three discusses the development of the research design and its execution. Informed by a consideration of the philosophical issues inherent in the research context, the broad methodology adopted for the study is explained and justified. The research was designed as a critical case study, with the aim of exploring the validity of the change experience of employees and managers, the utility of change management prescriptions and the influence of leadership methods during a facility closure. This rationale has support in the form of the notion of a critical case as a single case study (Yin 2014). The fact that the author was a participant in the context of the case study is addressed and justified. Sampling and data collection are discussed in detail, as are the process of data analysis and the issues of trustworthiness of the research findings. The context of the research raised a number of ethical issues. These are addressed and the adopted solutions explained and justified.

Chapter Four presents a discussion of the research findings and their contextualisation within the literature. Employee and manager experiences are analysed and discussed in depth, the individual voices being highlighted by quotations. The emotional journeys undergone by everyone involved are analysed and interpreted. Change management frameworks are reappraised in the light of the research and the internal change management model is evaluated in terms of application and utility. The impact of leadership approach is explored, through the perceptions of employees of the actions taken by the management team and, forming an integrative conclusion, the main findings are readdressed as answers to the research questions.

In Chapter Five, contributions to knowledge are offered in four main areas. Firstly, new insights are offered into the drivers behind the 'productivity paradox' which is widely considered to be a counter-intuitive response in closedowns. Secondly, the case is considered as a socially responsible closure and the importance of leadership approach as a key element of this is highlighted. Thirdly, new insights are offered into the emotional journeys experienced by employees through the application of relevant conceptual frameworks. Fourthly, it is demonstrated that employee differentiation on the basis of longer term aspirations and other factors is a powerful way on ensuring there are effective and sensitive support strategies rather

that a 'one size fits all' approach. The limitations of the existing research are discussed and avenues for future research are explored. The implications of the research for policy and practice are considered, with a number of specific guidelines proposed for the effective management of plant closures.

Chapter 2: Literature Review

2.1 Introduction

The following literature review presents relevant work in the areas of industry context, plant closure, change management, impacts of organisational change, the responses to redundancy and choices of leadership style in the wake of a shutdown decision. Initially, the review elucidates the context of the closure with respect to the pharmaceutical industry transformation over the last two decades, which has relevance to all three research questions in a chronological sense. The literature relevant to each research question is addressed in order to provide a rich academic context for the enquiry. The research areas of personal experiences of change, applicability of change management models and leadership approach in facility closure are accordingly addressed in turn.

An unsurpassed urgency has emerged for companies to effectively use increasing amounts of data available to identify opportunities to create more competitive versions of themselves. Life cycles of products, organisations and the executives running them are shortening, with CEOs now lasting an average of six years in post, in comparison to the tenure of eleven years of 2002 (Blount and Leroy 2016). The 'better, faster, cheaper' mantra that so dominates all sectors makes change intense and often frenetic and leads to a pervasive sense of anxiety in an effort keep up with developments and trends (Kane 2008). Accordingly, the first part of the review explores the strategic context, embracing of the transformation of the pharmaceutical industry at the time of the decision, commencing with the global perspective and then specifically that of the UK, with industry and government dimensions considered.

The literature of plant closing practices is then reviewed and evaluated. Against a backdrop of relatively scant research into the plant closure event, this work asserts its value in an under-researched field (Butler et al. 2009, Raturi et al. 2009, Woodford 2009). It has been acknowledged that site shutdowns will occur more often in increasingly competitive industries and in this respect a closure can be considered part of a natural organisational lifecycle (Bridges & Mitchell 2002). The lament is that so little is known about the shutdown since it is clear that such significant and impactful changes as an organisational death require the situation to be expertly managed with competent and resourceful leadership for successful transitions (Gill 2003). The subject of the 'shadow of death' is examined since the concept has relevance to the case and many site closures (Schwerdt 2011, Fuchs & Wyeh 2014).

The study is clearly located in the field of change management and hence a discussion of change management theory and practice is presented. Covering the development of planned, emergent and contingent models, the work also explains the GE Change Acceleration Process (CAP) in terms of lineage and practical

applications. The advantages of businesses effectively modelling change are clear when one considers that the cadence of change quickens decade after decade, as the advent of new technology offers novel opportunities and organisations have to act or be acted upon. It is suggested that the pace of change has never been so great and consequently an understanding of change never more urgent (Cameron & Green 2009, Tondem 2005, Balogun & Hailey 2004, Burnes 2004, Carnall 2003).

The review explores the subjects of resistance to change and the role of organisational structure. It is suggested that the 'default setting' for human beings is to maintain the status quo and resist the new and it is a contention that cultures throughout the globe reflect this through the annals of history (Salerno and Brock 2008). Commentators have encouraged organisations to accept that that change programmes need to include psychological realities, including a healthy dose of acceptance of this fact of natural human resistance. To move organizations forward, to allow them to 'dance with change', means hard-earned knowledge has to be embraced and channelled (Senge 1999). Bridges (1991) argues that it isn't change in and of itself that creates angst but the loss associated with the change and that there is a powerful sensitivity in managing change with this understanding.

Next, the personal responses to being made redundant and laid off are explored in the context of the literature and as such ground the first research question. As organisations change, subsequently a requirement is made that the people of that organisation change and there are not many more intense workplace change experiences than a redundancy decision and site closure (Woodford 2009). The individual responses to such life-transforming changes are a fundamental focus for this study. The human process of adaptation has been explored and characterised as an individual and collective journey (Lewin 1958, Schein and Bennis 1965). For an organisation to move forward in the face of such intensely emotional transitions there is a need for understanding of the process of individual change (Cameron and Green 2009). It is this human response that has long fascinated society and indeed early philosophers reflected on the complexities and tension of change, with Plato articulating the concept of the charioteer and the unruly horse in the human mind wrestling with one another over acceptability or defiance of a change. The ideal of the unruly beast (human emotion) tamed for the purposes of the charioteer (human logic) and the energy channelled and focused for the exertions of battle (individual or organizational process) has an alluring motivation and provides a great, time resilient metaphor for the experience of change (Heath and Heath 2011).

The review then turns to plant closure decisions and how these are made and why plants are selected. It is clear the forces of the external environment recreate the boundaries of the organization and indeed the structure of the organisation. Technological, political and social drivers demand different modes of organizational design this often translates as a restructuring of the business, which can involve the closure or divestment of complete sites as leadership craft a more competitive position (Marks & Vansteenkiste, 2008; Hansson, 2008). Those organisations

making effective closure decisions seek the rewards not only of survival but the ability to thrive, since they are those capable of taking the difficult decisions. Those organizations capable of exploiting the opportunities which are afforded to the earliest and fastest to adapt to changing circumstances are those that 'stay in the game' (Drucker 1996).

Finally, the literature on leadership approach is analysed with particular focus on relevance to the process of organisation termination or the adjacent experiences of selective redundancy. The subject of employee perceptions of relative psychological safety that employees feel when facing job loss is explored and there are suggestions that environmental factors and management relationships are a key determinant of employee confidence (Stengard et al. 2014). A trusting climate allows for risk taking and for the emergence of enthusiasm to accept changing circumstances and make adaptations to expectations (Albrecht 2002). The criticality of clear explanations of decisions, the ability of management to listen constructively to employees and fair and equitable treatment of staff is discussed (Thornhill et al 2000). Furthermore, the change in the psychological contract and the shifting trust dynamic in events such as a shutdown is considered (Rousseau et al. 1998). The topic of fairness and equity is further built upon with the aspect of organisational justice theory and the role of employee perceptions reflected (Brockner and Greenberg 1990). Finally, the theme of leadership style is considered with an explanation of flexible, functional, shared team and contingent models.

2.2 Transformation and Change in the Pharmaceutical Industry

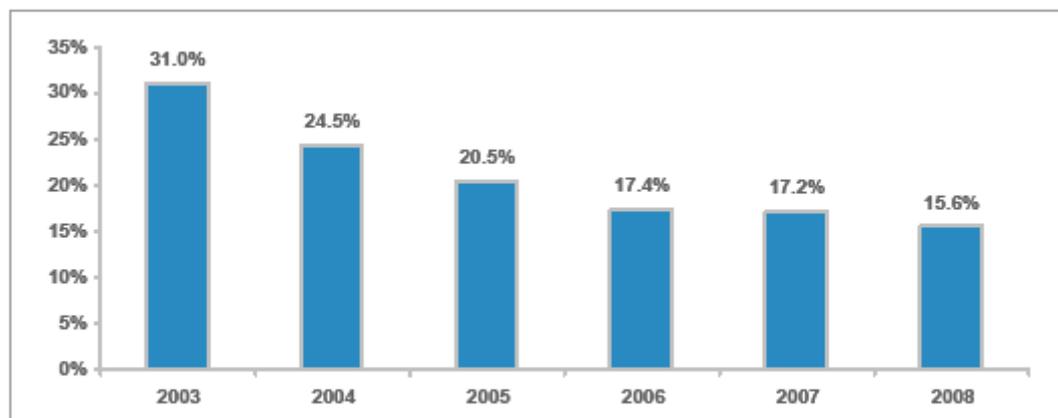
The GE Healthcare pharmaceutical manufacturing site was certainly not alone in its experience of closure and was joined by a number of other UK facilities in this sector that navigated the same journey. This section gives a brief overview of the pressures that have forced a reshaping of the pharmaceutical industry and the changes that have resulted, with a focus on the US and the UK. As such, it provides a broader context for the research, providing an understanding of reasons for the closure. It also offers an industry perspective that serves to locate each of the research questions within a pharmaceutical environment which has been subject to significant changes.

2.2.1 Change in the US pharmaceutical industry

The pharmaceutical sector has seen significant change in last decade or so. However, the recent changes to the US Healthcare system, as instigated by Barack Obama in 2009 on his rise to the US Presidency, have had far reaching implications for the healthcare industry. As explained in Pharmafocus (2011), the US government's drive to increase generic medicine availability and also reduce the patents that provide pharmaceutical companies exclusivity and protected revenue are ensuring negative impacts in both R&D expenditures and also manufacturing workforce.

Changes in the US affect all pharmaceutical companies that operate there, and in essence all the global players, since the US is the world's largest pharmaceutical market by some margin, accounting for 48% of the world consumption with revenues in excess of \$500 billion (PharmaMedDevice 2009). Against this backdrop is the fact that the US is home to only 5% of the world's population and Moynihan & Cassels (2005) explain intelligently how the valuable financial resources in the US might be used to better effect. Much of this expenditure is administered by the Managed Care and Health Medical Organizations (MCs and HMOs), which have also undergone changes and reform. The shift from sophisticated healthcare for a few to basic healthcare for all is a deliverable that President Obama was wholly engaged to provide. Although much speculation surrounds the future of the US pharmaceutical industry with President Trump, it is expected the industry will still make medicines more affordable, although there are some suggestions of less government regulation preventing new medicines gaining approvals under the new administration (Times, November 2016)

Late-Stage Pipelines: Estimated Peak Sales as a Percentage of Current Revenue



Notes: Moody's assessment. Data represent aggregate of nine large companies: Amgen, Bristol-Myers Squibb, Genentech, Johnson & Johnson, Eli Lilly, Merck, Pfizer, Schering-Plough and Wyeth.
Sources: Moody's Financial Metrics, Moody's estimates

Figure 1: Deteriorating Pipelines of Large Pharmaceutical Companies 2003-08

2.2.2 The UK Pharmaceutical Industry

At the time of the decision to close the Gloucester plant, the UK pharmaceutical industry was the world's third largest exporter of medicines (PharmaMedDevice: Industry Statistics 2009). At the time of writing the UK is ranked the fifth largest exporter (PharmaMedDevice: Industry Statistics 2015). The UK pharmaceutical industry is considered more research driven and described as one of the UK's most dynamic sectors and a flagship for the economy, with the third highest expenditure of global pharmaceutical R&D after the US & Japan (Department for Business, Innovation & Skills, 2010). It is with some source of pride that UK industry advocates promote the fact that of the 75 top revenue earning pharmaceutical products in the world, 15 of them were developed in the UK.

In 2010 the United Kingdom consumed 4% of the world's pharmaceutical products domestically. Figures show that pharmaceutical industry exports have been valued at £12.1 billion, whilst recording £8.7 billion for imports, which created a healthy trade balance surplus of £3.4 billion. The principal overseas markets for UK manufactured pharmaceuticals are Western Europe, North America and Japan.

The UK has a lower threshold than that of the US in terms of generic impact since approximately 79 percent of all prescription items were of generic origin. This essentially means that the changes to patents would have a less dramatic impact in the UK domestic market. In 2011 David Willets, UK Government Science Minister, praised efforts made by governments in recent years to strengthen the country's attractiveness to drug development but admitted: "There is unprecedented change now taking place in the (pharmaceutical) industry away from manufacturing toward high quality R&D" (Financial Times; 3 Mar 2011). Colin Blakemore, professor of neuroscience at Oxford University, described the move of closing the Pfizer facility in Sandwich, Kent with the loss of 2,400 jobs as a "shocking wake-up call" that indicates the pharmaceutical sector has lost confidence in the UK (Financial Times: 3 Mar 2011).

In 2007 JP Garnier, the chief executive of Glaxo-Smith-Kline, the UK's largest employer within the pharmaceutical sector, made it clear that outsourcing of manufacturing activities to Asia and Eastern Europe is a priority. He also added that British plants could be closed down completely, while others are likely to be scaled down (Sunday Times, October 25th 2007).

Essentially the landscape is changing on the basis of the factors discussed elsewhere in this literature review. In terms of macro-level economics, there is a continuing reduction in the amount of funding available for pharmaceutical R&D, or indeed to support ongoing manufacturing facilities. Fewer NCE (New Chemical Entity) drug candidates mean the appetite to retain existing manufacturing facilities and certainly to build new greenfield establishments has wavered. The lack of new products, combined with softening demand in the world's most lucrative pharmaceutical market (USA), has changed the landscape irrevocably.

Further commentary by Andrew Witty (GSK's current CEO) said he believed Pfizer's decision was a symptom of problems facing the pharmaceutical industry rather than the environment in the UK. "It's got everything to do with the pressure the industry is under, mostly from governments," he said. "Around the world you've got governments cutting drug prices, regularly trying to find ways to reduce exclusivity periods. Sooner or later all these different hits add up and companies have to react. I think there is a bit of a lesson there." (Daily Telegraph, Monday 6th June 2011).

There have been examples of certain companies relocating from the UK to elsewhere in the European Union, such as Shire Pharmaceuticals to Eire in 2007 due to tax incentives (Financial Times, 3rd March 2011). Pfizer made a 'tax inversion

acquisition' of Allergan (Financial Times December 18th 2015). However, on the whole, most investment is devoted to the transfers of manufacturing volumes to the LCCs (Low Cost Countries), as suggested by the comments attributed to JP Garnier above.

The aggressive nature of cost restructuring is likely to continue, as Sind-Flor (2011) contends, citing the prospect of \$30 billion of pharmaceuticals losing their patent status. To give some idea of the magnitude of this type of impact, one must explain that would account for 10% of the US market revenue. The pay-for-delay (a practice whereby a pharmaceutical company pays a generic producer to delay its introduction of the cheaper alternative) tactics employed by pharmaceutical companies have retained some \$3.5 billion of earnings within the industry estimates (Sind-Flor 2011). Naturally, with the consumer and government picking up this bill the legislative reforms are designed to address this and deliver an even more competitive environment in which pharmaceutical companies will have to operate.

Generic competition has been a driver for much of the cost restructuring seen within the industry since the transfer of production to low cost countries and regions such as Brazil, Russia, India, China, Korea and Eastern Europe. Sind-Flor (2011) records that 78% of all retail prescriptions in the US market originate in such geographies. Certainly these facts are relevant to the Gloucester site in that in excess of 70% of its production was destined for the US market. Such market changes have manifested themselves as significant antecedents to its selection for closure.

There are some positive reasons that the UK should maintain a strong pharmaceutical presence in R&D. The fact the UK government budget allows of 0.10% of GDP to be allocated to Health R&D (only the US and Spain devote more) will ensure that international companies continue to see the UK as an attractive place to retain R&D operations. To strengthen this position the Ministerial Industry Strategy Group (Pharmaceutical Industry Report 2009) argues that the UK will need:

- Continued access to skills and knowledge.
- Support for science and innovation in educational institutes.
- A positive and stable attitude toward the industry by government.
- Action to reduce red tape.
- Competitive corporate taxation, particularly R&D credits.

The outlook for the pharmaceutical manufacturing sector is more uncertain. With companies such as Shire, Novartis, Pfizer, GSK, AstraZeneca, Sanofi-Aventis, Boehringer-Ingelheim along with GE Healthcare deciding to close and relocate operations it is unlikely that such a trend in this area can be reversed. The macro-economic factors translate as a 'reset' that will manifest itself as a resizing of

available capacity for manufacture and supply of medicine within the UK. Closing a pharmaceutical facility is not a decision taken lightly. It is a costly process and in many cases absorbs more than three years of time and some high calibre resources.

2.2.3 A key driver of change in the industry: the financial crash of 2008

In terms of the specific pressures operating on the industry in general and on GE in particular, it is clear that events in the financial sector during 2008 have undoubtedly had a major impact. GE's 2010 Annual Report asserted its intention to reduce company exposure to financial services (once responsible for 52% of income),

limit commercial paper (unsecured short term debt coverage) and reduce leverage from 8:1 to 5:1. This has had a significant impact on existing businesses, which has driven the company to become leaner, simpler and more productive.

The fact that the financial crisis of 2007-2009 had far reaching implications should not necessarily be a surprise. As Foster (2009) asserts, in 1965 the total profit of the US financial services industry accounted for 15% of all US domestic profit, whilst manufacturing activities would deliver the significant 50%. The contrast in 2005 was quite remarkable – with financial service accounting for 40% of total domestic profit and manufacturing industry just 15%.

Authors such as Schiff and Schiff (2010) remark on the differences from the past of the recent economic crises, whereby they believe governments will find it difficult to implement the standard remedies of higher taxes and lower spending. They predict a political watershed and the need for a fundamental rethink. The responses by organizations have been consistent and all too familiar, where measures of austerity abound throughout the private, public and third sectors. Rationalisation, downsizing, closures, consolidation and nationalisation are increasingly common occurrences. It is in the environment of economic fragility – recovery from the worst recession since WWII (CEPR 2010) – in which the case study unfolds.

Jeffrey Immelt, the CEO of GE, proclaimed in 2008 that the then critical economic downturn was not a classical 'boom and bust' but was more of an 'economic reset' to which organizations should craft a different and more sustainable response: "this economic crisis doesn't represent a cycle. It represents a reset. It's an emotional, social, economic reset." (Jeffrey Immelt was addressing the Global conference on Business and Social Responsibility in November 8th 2008). It should be noted that the decision to close this Gloucester plant and two other UK facilities was made at this time.

2.3 Plant Closing Considerations

Plant closure is an insufficiently researched area and is certainly a poor relation when compared to existing research on other downsizing initiatives such as targeted redundancy, survivor syndrome, reengineering, organisation redesign or systemic

change strategies designed to deliver downsizing requirements (Butler et al. 2009). Indeed, Raturi (2009; p.18) argues that '*nothing significant is known about the nature of plant closings*'. In other words, relatively little is known about what goes on during a closure, hence the first research question which enquires into the experience of employees and management during a site closure.

Whether the extent of plant closures is justified in a business sense is questioned by many. Attaran (2007) suggests that change initiatives, whether they be re-engineering or lean initiatives, are often used as an excuse to lay off employees and close plants. That assertion can certainly be challenged but whatever the drivers of plant closures, they raise severe challenges for both employees and the managers who are tasked with the implementation, as illustrated by the following quotations.

It's amazing we use all these euphemisms, downsizing, outsourcing, rightsizing. When all it means is you just lost your job and you have no way to pay your rent or mortgage. Don't know where your kids are going to get money for clothes or food. We've lost the human pathos, the empathy and drama. I hear it all the time – we've built many plants, but we've never closed one. We don't know what to do, don't know how to start, don't know where to go. (Jon Clark, Owner of Plant Closing News, cited in Clemens 2011 p13),

You would think with all the facilities that General Motors has closed that in the history of the company that there would be some repository you could go and get information..... Why leave a team like myself and my team to just develop this stuff by ourselves? (Diana Tremblay, GM Luton Plant Manager, cited in Butler et al. 2009 p15).

The oft-cried lament is that there is no 'how to' manual or checklist that assists with the precarious balance of managing on-going operations whilst delivering a closed plant with company reputation intact. The initial expectations are that performance will deteriorate in the productivity, effectiveness, quality and human relations indicators. Strategically the decision may make sense to company senior management but the closing process itself is a messy business with many pitfalls in the form of loss of talent, survivors being stretched too thinly, morale sapping rumour mongering and a move to resolution of short term crisis priorities. Employees that stay on can be narrow-minded, self-absorbed and risk-averse with resulting consequences to morale (Cascio 1993).

The reason for the sparse extant literature on plant closure has been explored. It is the view of Butler et al. (2009) that the expected conflict between management and employees discourages companies from providing access to authors. It is considered a difficult, if not the most difficult task for leadership, and therefore to add to problems by adding a research dimension is not something that the leadership of most companies would willingly embrace.

2.3.1 Personal responses to redundancy and layoff

The prevalence of redundancy is significant, with four million people in the UK having been made redundant since the onset of the global financial crisis in 2004, reports Keith (2014). This can be regarded as a catastrophic scenario for some, but it is a hard fact of life in the modern working world and one of the consequences of organisations making changes to deliver shareholder value (Cameron & Green 2009). This new reality means that multiple careers are more likely patterns of employment in a contemporary working world (Jarvis 2009). Losing a job can lead to a precarious economic position for those impacted and the responses can vary from proactive to reactive, even when the individual has some awareness of the possibility of job loss (Gush et al. 2015).

Layoffs are traumatic for all those involved and may generate high levels of anxiety among those potentially impacted (Doherty et al. 1993). This would seem logical, since those individuals impacted are facing the loss of job security and income as well as the uncertainty of a new job search. Furthermore, although the policies of rightsizing and restructuring are designed to make an organisation more competitive, such moves acting on employment communities may actually inhibit these aspirations (Jarvis 2009).

Commitment to the organisation in the form of a psychological contract may be considered the essential exchange between employer and employee. It is these beliefs and assumptions that are challenged and re-evaluated during significant changes to employment (Rousseau 1995). In a site closure scenario, the promises or commitments made by a supervisor to an employee may become challenging to deliver.

There are potentially detrimental impacts on suppliers and customers as employees experience 'performance dips' as they process the redundancy announcement. It is during this fragile phase of maintaining a business's continuity that the news of impending redundancy and job loss is being tackled by the employees. Losing a job can have a catastrophic impact such as increased mortality, as cited by Eliason and Storrie (2009), and all employees face the unenviable task of 'starting again' in some way, shape or form.

As downsizing and restructuring have become more common phenomena, such changes at an individual, department and organisational level have become more common (Thornhill and Gibbons 1995). However, while downsizing is approached at the level of the organisation, the concept of redundancy is generally considered as an impact at the individual level (Freeman and Cameron 1993). It is also accepted that at this individual level there are psychological and behavioural consequences for those impacted (Thornhill et al. 2000). It is also recognised that where there are survivors from selective redundancy programmes, these individuals too, although having survived the selection criteria test, may well have suffered negatively in a psychological and behavioural respect. Such emotions as guilt, anxiety and anger

are contrasted with relief, remorse and uncertainty as employees come to terms with the new organisational paradigm.

The behavioural reactions to a downsizing or closure announcement have been recorded in research as absenteeism, intention to leave, risk-taking, resisting further change and lower work effort (Shaw and Barrett-Power 1997). Results from a study by Campbell (1999) suggest that survivors' reactions are dependent on the interpersonal treatment they receive from both their immediate line manager or supervisor and the wider management team. Furthermore, the study indicates that the communication and amount of interaction a survivor receives from their line manager influences their level of organisational commitment, job insecurity, job satisfaction and leaving intention. This phenomenon has been termed 'survivor syndrome' (Cameron et al 1993).

It would seem that downsizing encourages a reconsideration of the employment relationship with an organisation (Thornhill et al. 2000). Where redundancy or closure is faced, employees may well go through a period of adjustment and renegotiation of the psychological contract (Rosseau 1995). Psychological contracts can be transactional or relational in orientation. As such, a transactional focus would be one of short-term financial benefits. The relational perspective would lean toward a partnership of reciprocity and mutuality (Rousseau 1995). A move from a relational psychological contract to a transactional one sees less organisational identification and lower levels of commitment (Thornhill et al. 2000). It would seem plausible that employees engaged in relational contracts with their organisations prior to a closure announcement may gravitate toward the transactional arrangements associated with a known termination of the relationship in the form of a closure date. Whether the move is toward a more transactional orientation will be determined by the referent standards in procedural and distributive justice terms (Tekelab et al. 2005).

Such personal responses are also reflected in the plant closure scenario in certain studies (e.g. Kongsbak 2010) where absenteeism and lower levels of engagement were experienced following the announcement of the intention to close a facility. Departing employees are subject to considerable stress and the event can indeed be traumatic (Doherty et al. 1993). Job loss has been shown to have significant psychological impact on employees or an organisation (Gush et al. 2015). An employee will evidently look for support and compensation and a generous redundancy payment is a managerial strategy to avoid negative reactions (Thornhill et al. 2000). In terms of response, it is noted that employees most likely to demonstrate a more negative reaction are those who consider themselves highly committed to the organisation and where the decision is perceived to be unfair prior to the downsizing announcement (Brockner et al. 1992).

Greenhalgh and Rosenblatt (1984) explore the psychological predisposition to such threats as job security in determining response to the downsizing event. Those with an antipathy toward perceived job insecurity experiences are more likely to

demonstrate strong negative reactions when faced with job loss. Those who feel more in control of their personal and career situations adopt effective coping strategies in the midst of the news.

Galazter-Levy (2010) suggests that the fear of losing one's job is seen as a more significant driver of job-related stress levels than the event of actually getting laid off. A closing plant may well foster a long-standing fear of job loss, since prior to closure many sites are subject to rumours and more corporate attention than previously experienced, as senior executives 'run the rule' over the facility in question (Raturi et al. 2009). The health of the local economy also has an impact on the employee response in that it determines the relative level of optimism with regard to alternative employment. This context is more important than the national or global economy (Galatzer-levy & Bonanno 2010).

Schwerdt et al. (2013) consider the plight of those they describe as too old to work and too young to retire. In their definition, the young are aged 35-45 whilst the old as 45-55 and the study concerns itself with the entry of talent into the early retirement market. This, they suggest, presents some false national economics, in that the early pensioners stop contributing to the state financially, whilst businesses lose experience. Schwerdt et al. (2013) add that over a 10 year span these older workers (45-55) themselves do not lose out in terms of employment opportunities. However, in the first five years, they fare considerably worse than the younger workers (35-45) and it is over the 10-year period that they gain ground.

Jolkkonen and Virtanen (2014) look at the trajectories of the displaced workers and find that a plant closure announcement leads employees to actively look for work and 'make themselves available'. A plant closure may leave an employee in a more confident position in comparison to those selected for redundancy through alternative downsizing. This expectation to leave the employer and seek a new workplace is contrasted markedly with those staff 'downsized' as a result of partial redundancy exercises. In these cases, it has been found that those who had recently left employment had aspirations around being recalled by the previous employer. It was also shown that selectively downsized employees have more difficulty in securing employment than those from a complete plant closure.

Moore and O'Neil (1996) in a study showed 55% of those made redundant were in employment 5 years after the event. The other categories showed 20% unemployed, 5% in training, 10% self-employed and a further 10% 'inactive' (DFEE booklet 1996). Holm et al. (2014) demonstrated that staff with more general skills face fewer barriers to changing jobs and thus are more likely to be 'voluntarily mobile'. In their research, most individuals (80%+) found jobs within two years of exit from the business.

The longer-term impacts on the participants of a site closure have not been ignored. The findings are concerning, since it is suggested that a latent impact of the closure

episode may manifest itself sometime after an individual has found new work. Schroder (2013) suggests that individuals who experience a plant closure suffer in the long run in terms of health. Plant closures lead to health deterioration later in life but impact on men and women in different ways. Men are more likely to suffer from depression and mental acuity problems. For those experiencing a plant closure in comparison to other restructuring events, there is a 7% higher incidence of depression in males. Women who have been part of plant closure are 15% more likely to be overweight, with some experiencing chronic conditions resulting from obesity and limitations in the activities of daily living. These different effects may be explained by the role expectations of the men in the study population, coming from an era where the 'male breadwinner' was the norm. Schroder's study (2011) showed that the effects of experiencing a plant closure can have a delay and those men in particular, demonstrate higher levels of depression later in life after experiencing a plant closure in comparison to a selective redundancy experience. This may suggest some latent impacts to self-esteem as a result of the plant closure experience.

2.3.2 Plant closure as organisational change

Bergman & Wigblad (1999) cite the plant closure as an extreme example of strategic change in action for both the employee and the community. They argue that the employee faces unemployment and a consequent increase in mortality risk. In addition, the loss of a plant can have a devastating impact on the local community, dependent on the relative importance of plant in employment terms. Such decisions bring the risks of higher absenteeism, low morale and lowered productivity. Furthermore if the decision is sincere surprise to the employees, distrust in management is likely to emerge (Appelbaum & Donia 2000). Therefore emphasis on *the way a plant closure is delivered* in terms of management approach will determine the relative pain inflicted on the workforce (Rydell and Wigblad 2012). The assertion is that Human Resource Management (HRM) is front and centre of management considerations and integrated within the decision making process from the outset. It is also considered a moral obligation to do no harm and therefore inclusion of the human impacts is critical, as closedown plans are prepared. It is recommended that closedown strategies should cover generous severance pay, long advance notice, the possibility of transfer to other plants, retraining, job consulting, educational programs and early retirement opportunities. In addition to these factors, McMahon (1999) suggests that a plant closure should have due process and just cause if it is to be viewed as ethically responsible. Research by Herrera (2005) into managing the process of facility closure concluded that a number of factors need to be considered to handle a facility closure professionally. He encourages those managing the facility closure to recognize that the employee is losing more than purely a place to work. The individual affected by closure loses a job, an income, will lose relationships, will experience a change of routine and habits and furthermore the loss of a 'life anchor' in that job roles help some people define themselves (Appelbaum et al. 1999). This 'loss focused' interpretation of personal change has resonated with work describing

the psychological transitions the people make, as opposed to the situational change experienced, as suggested by Bridges (1991).

2.3.3 The 'shadow of death'

It is considered that there is a gap in the research on the 'Shadow of Death' at closing plants. It is suggested that labour dynamics studies focus on the newly founded businesses, then post-entry performance of new firms, with chances of survival analysed. Although there is extensive coverage within the literature concerning the theoretical likelihood of success for the new business, the closing business and the end of plant life lacking in such coverage (Fuchs and Weyh 2014).

One of the earlier studies into plant performance prior to exit was undertaken by Grichiles and Regew (1995). Interest has focused on performance of factories and the relative reasons for plant selections. Productivity of such closing plants is discussed extensively by Hasanen et al. (2010). This work was extended by Schwerdt (2011), who develops a 'Shadow of Death' concept that articulates the indicators of likely selection for plant closure.

Fackler et al. (2012) build on the definition of the 'Shadow of Death' concept. Their studies show that before closure the establishment may shrink, often through successive restructuring exercises. Skilled, younger, male employees who exit prior to closure are more likely to maintain income levels. Income is more likely to be maintained by skilled professionals as opposed to manual workers. The effect of this is that prior to closure, the workforce is found to be more skilled, older and with a higher number of female staff. However, this pattern is contradicted by Lengerman (2002) and Schwerdt (2011), who argue that the workforce immediately prior to closure of the plant tends to be less skilled. These studies also conclude that women are less likely than men to stay in distressed firms to final company exit of the plant.

Jolkkonen et al. (2014) found that generally a company will lay off its least valuable employees earliest in the closure. In their study, there was an order to the loss of employees in the sequence of temporary workers, older workers exploiting early retirement and then less productive workers. In the closure studies, it was discovered that 10% of employees actually leave the labour market completely and of this group the average age is 53.5 years, and these workers also tend to be the least well educated of the age group. In comparison, the youngest and best educated stay attached to the labour market, in closure cases studies ranging between 1-3 years.

Schwerdt (2007) concludes that those less likely to quit as a result of plant closures are younger than 50, have longer tenure and are less well educated than their peers. This study classifies 'early leavers' as those who exit the business two quarters prior to the actual closing. These workers suffer less than those who stay until the end of the closure and end up displaced by the closure event. These 'early leavers' are often younger, married, technically schooled, with a high level of internal training,

have higher job evaluations and are better educated, often commanding higher earnings by leaving the business. He also suggests that each plant closure has some warning signals beforehand and is seldom a complete surprise for the workforce impacted. It is asserted that management and workers adjust their expectations about a given employment relationship, and that the closure announcement heralds a new informal contract between management and employees. The change gravitates to the 'instrumental collaboration' termed following a study of partnership amongst a peer group of professionals who come to understand the value to themselves of participating in the 'greater whole' despite reservations early in the process (Schwerdt 2007).

The challenge of maintaining skills and competence during closure has been considered. Companies closing facilities are acutely aware of risks involved in retaining valuable staff and attracting competent replacements for 'early leavers'. Brown and Matsu (2012) suggest that applicants to distressed firms are fewer in number and lower in quality than comparative firms not in a plant closing position.

Herrera (2005) recorded that severance was offered to all employees and a retention bonus for key employees in a case study. In addition, employees were trained during the transition in resume writing and interview skills. It was explained to employees that the company had not abandoned them and would do all it could to assist them in this transition. These findings align closely with the concept of a 'socially responsible closure' articulated by Hansson and Wigblad (2006). Agreements to assist employees by being flexible, so that they could go on job interviews were communicated and honoured. Importantly, work production expectations were set high through transition so that the work would continue as seamlessly as possible. Employees were informed that these programs were only possible in exchange for their cooperation. Management committed to keep employees informed on an ongoing basis and announced that employees would continue to be treated with dignity and respect during this difficult process. The work is of US origin but highlights many areas which are relevant to managing the change in a plant closure scenario.

2.3.4 The emotional impact of closure

It has been suggested that the psychological contract that exists between employees and management is broken when such a significant announcement is made. Rosseau (1989) explains that employees expect the organisation to provide a salary, training, security, interesting work and a work/life balance. In return the employee offers flexibility, effort, loyalty and commitment. In further work on the announcement of a restructuring initiative, managers see more fairness in the proposition than employees. This may well be associated with the level of information afforded to managers, and perhaps the fact that they hear of the closure before employees, that puts them psychologically 'ahead of the game'. However, the management role forces follow on communication and therefore means they have to

address concerns and reconcile the differing perspectives around fairness (Coyle-Shairo & Kessler 2000).

Illes (1996) provides compelling experiential research in the form of a chronicle applied to a case study of a US based electronics plant that closed in 1992. The study charts the difficulties encountered when implementing a plant closure strategy and phases of letting go, transitioning and the new beginning. The author is part of the study in this specific case and provides a narrative of the year of closedown. This fact is key to understanding the work, since the author also experiences grief whilst chronicling the wider plant occurrences and attributing meaning to events as they unfold; this may have parallels for the author in this study.

Indeed, Illes's work charts events from the initial announcement, the period of shock and the various demonstrations of anger and ultimately denial of the decision. A phase of bargaining inclusive of exit dates and packages and then 'distancing' between the site and the parent organization was documented. It was subsequently recorded that divergence of employees manifested itself in the form of 'resignation' of fate and alternatively 'renewal' for those creating and/or exploiting opportunities. A progression to a rebuilding stage ensued where resistance surfaced overtly in the form of disruptive behaviours in some, whilst others embraced the outplacement assistance positively. As Kübler-Ross (1997) states: 'If you go through the tumbler of life, you can come out crushed or polished'. Midway through this annual chronicle (the entire period of review and closure spanned a year), a period of transitions where both internal and external role opportunities were explored; the loss of talent in such phases caused some disruption to productivity and employee morale.

The work by Illes (1996) then articulates the 'dominos falling' through to the final closure events where the uncertainty of employees left, created a period of tension and anxiety. Further financial incentives were required as goodwill waned and original incentives were seen as 'banked', reflecting an emergent approach. Once notification letters were received by employees (required 60 days prior to termination in the US) there was some opportunity for nostalgia since community events were organised. However, the practical considerations of work balancing between areas that had little work and other areas which were 'down to the wire' created some disharmony. The author considered the final 'hand-off' an important opportunity to capture the employees' achievements and allow for a sense of achievement in adversarial circumstances. This ultimately allowed for a sense of closure on what, rightly, was regarded as a painful life episode for many employees. Although only a single case study, which one might argue is inductive and hence generative of facts as they evolved, the narrative offers a rich insight to the plant closure process.

Although, as previously mentioned, plant closure may well be a natural event, as much part of the business cycle as a start-up or growth, it is suggested that the closure announcement is preceded by reductions in workforce in the three years prior. Therefore, the announcement and sharing of the decision to close the facility

can be an unpleasant experience for employees and management but is often the culmination of previous restructuring efforts. This may well explain why there is shock at the announcement, since many employees would have expected the previous restructuring activity to have been an effective management intervention to the challenges faced (Fackler 2012).

A study of two GM assembly plant closures by Mishra et al. (1998) yielded a number of insights regarding the nature of a plant closure and the emergent management strategy applied. Particular emphasis was placed on goal setting, investment in staff, ensuring HR processes are 'fit for purpose' and building and maintaining trust. Goal setting referred to the process of not setting lower standards following the departure of 'star employees' thereby allowing the remaining employees to become the new stars. The investment in staff explained the need to fund development of staff and also ensure work environment was reasonable. The HR processes were changed to make them more equitable and balanced with respect to the remaining employees which allowed a 'clean slate' of sorts. The final area of trust was regarded as critical and was achieved by open and visible communication and often sharing more than was formally approved.

2.3.5 The productivity paradox

Hansson & Wigblad (2006) reviewed a series of sites in one country to assess impacts in productivity and quality during a facility closedown. In the study unexpected productivity increases were coined the 'closedown effect'. The conclusion settles on the notions that whilst management control loosens the employees thrive on the new levels of autonomy afforded to them as a result. The perceived injustice can lead to a 'let's show them' expression in the form of energy, focus and high levels of informal organisation. A reorder of the organisational and economic structure manifested itself in the researched organisations. The study does not overtly articulate a change model but purely measures the productivity impacts as a result of the closedown stimulus but provides a key insight for consideration.

Schwerdt (2007) suggests that management and workers adjust their expectations about a given employment relationship on the announcement of a plant closure. This then heralds a new informal contract between management and employees. The change gravitates to the 'instrumental collaboration' termed following a study of collaboration amongst a peer group of professionals who come to understand the value to themselves of participating in the 'greater whole' despite reservations early in the process. This isn't necessarily new knowledge but when applied to the plant closure it may well explain more powerfully the productivity and collaboration advances experienced by management teams. The concept in and of itself has an impressive historical lineage;

When each individual perceives the same sense of interest in all his fellows, he immediately performs his part of the contract, as being assured that they will not be

wanting in theirs. All of them, by concert enter into a scheme of actions, calculated for common benefit and agree to be true to their words; nor is there anything requisite to form this concert or connection, but that everyone have a sense of interest in the faithful fulfilling of engagements and express that sense to other members of society. (David Hume, *A Treatise of Human Nature* 1740).

The premise of collective action has threads throughout organisational life, in that collective goals are the product of individual contributions (Kramer et al. 1996). Members of an organisation need to cooperate through the sharing of useful information and showing restraint in the use of finite resources. In the normal operating environments of ongoing businesses, organisations cannot reward every cooperative act or demonstrate a punitive response toward uncooperative behaviour and as such the dynamic of cooperation is, in many respects a voluntary behaviour (Kramer 1991). The fact lack of cooperative behaviour may lead to adversarial impacts on the collective whole are understood but so is the futility of singular acts of cooperation in terms of the impact on the overall outcome. The balance between the individual burden of cooperative behaviour is weighed up in contrast with the benefits enjoyed by the entire community. Such acts then are taken with the likelihood of reciprocation, then considered and evaluated by the individual (Kramer et al. 1996). Group goals positively affect group performance as supported by studies undertaken by Dewett (2003) in an overview of the Interactionist Theory of Group Feedback.

It is offered that employees trade some of their influence in restructuring events for generous financial incentives and as such these incentives provide an effective way of retaining skilled employees (Thornhill et al. 2000). In the event of losing the 'star employees' in a closure event it is also added that 'new stars' often emerge from the shadows to enable the entity to continue functioning (Mishra 1998).

During the process of literature review the author has encountered a limited offering of studies in the area of facility, plant or site closures supporting the views of others that this phenomenon has been under researched (Raturi et al. 2009). The fact the occurrence seems to be increasing would point toward a need for a more developed understanding. The research undertaken has offered an opportunity for insight into the real-time experience of employees and managers during a plant closure with an evaluation an existing change management model and its selective application during the organisation death of a manufacturing facility.

2.4 Change and change management

The applicability of the discipline of change management to the context of a site closure is the subject of the second research question. That change is difficult to accomplish was famously acknowledged by Machiavelli (1961) in his captivating work on 15th century politics: '*There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things*'. Few would argue that this reflection on the

perils of introducing change is still apt today, despite the advances in the science of change and its management.

Since the first mention of 'change management', commonly attributed to Lewin (1947), there has been an impressive accumulation of literature in this area. It becomes clearer that as 'change' unfolds into 'change management' and subsequently organizations realise the advantages of implementing change methodologies with sense and procedure, there are compelling relationships with the term 'management' and 'change'. It is both the personal level and collective level of change within the specific context of a site closure that is the focus of this existing literature review.

2.4.1 Forms of change

According to Tushman & O'Reilly (1996), change can be classified into two categories, each requiring differing energy levels for implementation: the revolutionary and evolutionary. The change so often referred to and subject of significant research is the radical stream. This type of change is transformational and comprehensive in its nature. Termed revolutionary, it can be described as a break with the tradition of the entity concerned and also a leap from the operating norm. Examples of revolutionary change offered by are process reengineering, product innovation and new market entry.

The alternative stream is classified as incremental or micro change. This energy level is lower level but more sustained. The characteristics are daily and/or operational adaptations in the throes of implementation. The change can be localised and seen as evolutionary in nature. The 'tweaks' that such changes deliver are not seen as breaks with tradition, as discussed by Vermeulen et al (2010). In this article, change at an incremental level is positively encouraged by the use of a diagnostic tool. Further to this, Hayes (2007) also encourages organizations to audit themselves and determine what incremental changes are required.

To flavour the work on classification of change, the work of Leavitt (1968) can be used to provide an evaluative framework. Leavitt argues that organizational change interventions can be classified into:

- Tasks
- Organization
- Technology
- People

The tasks can be grouped into the goals and strategies that the organization articulates, whilst the organization grouping concerns itself with the system's structures and procedure used by the entity undergoing change. The technology classification includes the introduction of new equipment, process innovations and

work methodologies. Finally, the people category presents the familiar aspects of reducing workforce, expanding headcount, retraining and reskilling initiatives. Leavitt offers that the post war renaissance of Japan provides a great example of a national economy which did not respond to financial operating realities of the time, but one that organised around technology and the reskilling of its population. This framework provides a powerful progressive step for analysis prior to a change intervention.

2.4.2 Drivers of change

Kane (2008) suggests that the external environment forces changes at a rate not seen since the industrial revolution. The way organizations do their business has been driven to change dramatically by the following forces:

- Competition practices
- Internal
- New technologies
- Economics\politics

In this respect Kane (2008) observes that customer behaviour, the dynamics of market development and customer and company aspirations provide the impetus for the 'competition practices' driver. The category of 'internal' elaborates to the compensation and benefits policies, the organizational structure and element of lean implementation. The new technologies group offers the form of information access, communication methods and organizational design. The powerful economics category includes the impacts of globalisation and trade tariffs and this theme is further developed by the political interventions of legislation, regulatory innovations and government. This work offers further stratification behind the change dimensions.

2.4.3 Paradigms of change

Burnes (2004) suggests that change management draws on a wide social science tradition, encompassing epistemology, management education, organisational development and strategy and is interwoven with psychology. This offers a constructive platform for the build of change knowledge also in understanding lineage and heritage in terms of management thought.

Tondem (2005) concludes that several schools of thought have evolved over the several decades since the seminal work of Lewin (1947). Cameron and Green (2009) identify these as planned change, emergent change and contingent change.

In terms of theoretical heritage, the discipline of change management is built upon the schools of individual perspective, group dynamics and open systems. The individual perspective embraces the work of Behaviourists and Gestalt-Field psychologists, whilst the group dynamics school assert that teams and work groups

are the medium through which organisational change is brought about. The open systems group characterises the complete organisation as an amalgam of sub-systems with change being effected at the interplay of multiple systems (Burnes 2004).

The three paradigms of planned, emergent and contingent change are discussed in the following three sections, and an attempt is made to describe the evolutionary process and adaptations of earlier models and frameworks. A systematic approach to reviewing the literature in and around change management models has been taken, to ensure that any contributions to knowledge and practice in this area can be validated. The potential for a change management model for closure practices is a practical outcome of the study.

2.5 Models of Planned Change

2.5.1 The work of Kurt Lewin.

The early thought leader of the planned change movement was Lewin (1947) with his “*unfreeze-change-freeze*” process. As a pioneering organizational psychologist he developed a relatively simple 3-stage model which analyses the various stages of change. He argued that an individual’s mind-set underwent a clear process that involved the disassembling of the old model in the unfreezing stage into a stage of possible confusion, a transition state and then into refreezing a crystallisation of the new mind-set.

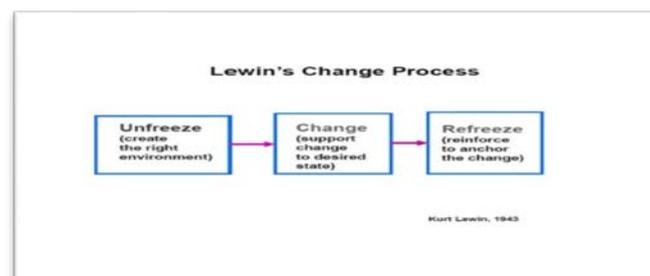


Figure 2: Lewin (1947) Three Stage change model

The concept of change management in praxis within an organization has roots in the research of Lewin (1947). His work focused on group decision making and social change and led to the development of a ‘force field’ analysis which provided a clear articulation of driving and restraining forces. Earlier work by Lewin (1936) proposed the “Lewin equation”, which is not really a mathematical equation showing quantifiable relationships, but rather a high-level explanatory model of human behaviour. The formula is $B = f(P, E)$ where B = Behaviour, f = Function, P = Person and E = Environment. Simply put, Lewin (1936) is arguing that behaviour is a function of the person and the environment. Although Lewin’s work is widely

considered as seminal, it is also criticised as mechanistic and boiling down to simple 'plan, do and review' phases of change processes (Cameron & Green 2009).

2.5.2 The Lippert 7-Stage Model

In the wake of Lewin there followed a number of authors who built on his work to develop knowledge further or to augment the planned style espoused by him. The Lippert et al. (1958) model takes the perspective of the observer and explains the evolution of a change. This resulted in a 7-stage model which offered more of a focus on the role of the change agent in the process. This work offers a development of the Lewinian framework, as illustrated in Figure 3.

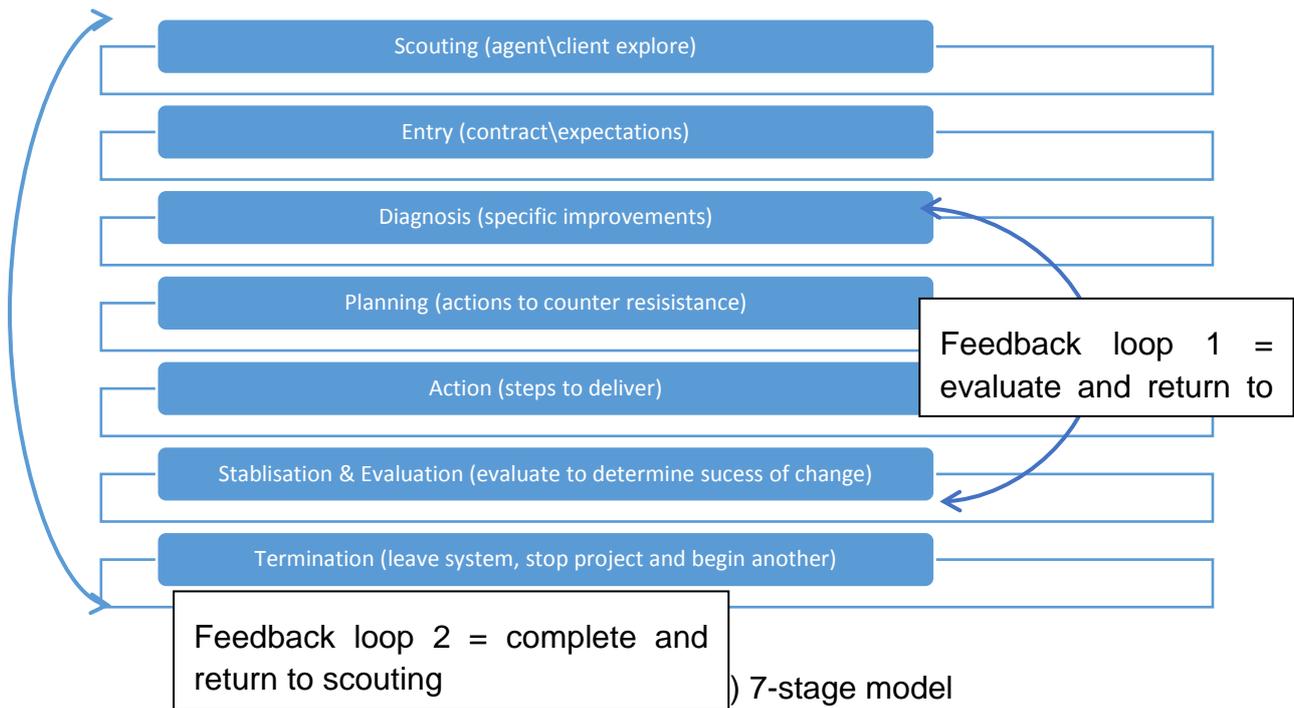


Figure 3: The Lippert (1958) 7-stage model

In this model the 'actor' and the 'actions' are separated so that responses can be leveraged accordingly, which provides a differing perspective for consideration. This model is however clearly part of the planned change suite of models and exhibits overt lineage to the work of Lewin (1947).

2.5.3 The Huse 7-Stage Model

More than two decades later, Huse (1980) created a 7-stage model which incorporated feedback loops within a recognisable planned change model. The 7 stages are illustrated in Figure 4.



The Huse model builds on the planned change platform but offers intervention points to encourage understanding of expectations, articulation of improvements and furthermore some ‘after action review’. The model also clearly embraces the concept of continuous and iterative change and hence is regarded as a significant development.

2.5.4 The Bullock & Batten 4-stage model

Bullock and Batten (1985) proposed a 4-stage integrated model which was the subject of a synthesis of approximately 30 models they explored during their research. The product of this investment is articulated as shown in Figure 5.



Figure 5: Bullock & Batten (1985) Integrated Model of Change

The four phases demonstrate clear lineage to Lewin’s research (Lewin 1947; Lewin 1958) and offer a simplified variant of the planned change model. Fundamentally, it

would seem that the model would be suitable to less complex changes and ones with fewer interdependencies and threads into alternate systems within an organization.

These theorists show clear relationships between planned approach to change and are part of the Lewinian school of thought-centred planned change. It can be argued that the Kurt Lewin model has become the founding father of this area of converted research and that his work provides a meaningful reference point for subsequent and related research. This provides a specimen of parent stock form which relationships can be traced when proposing the metaphor of evolution.

It would seem that planned change models, whether the work of Lewin (1947) himself or the successors discussed above, are focused on premeditated change programs. The essential hypothesis in each case is that change will naturally move through sequential and often linear phases and those positive interventions can effectively be made. This is hierarchical in approach and top-down in its nature.

Further innovation of the planned change approach has been offered by Beer et al. (1990), with the argument that it is actually the organizations that shape the human response in the form of attitude and useful knowledge. Importantly, the original planned change work is based around the idea that individual attitudes and knowledge are where the program for change intervention should be focused.

2.5.5 Kotter's 8-step model

The Kotter (1996) eight step model (Fig 6) is generally considered as belonging to the planned genre but with some new emphasis in the area of the management of resistance. Steps 1-3 allow for a sense of urgency to be created, leading to a vision that can be shared, with a concomitant reduction in resistance.



Figure 6: The Kotter 8-step model (Kotter, 1996)

That vision is to be communicated in step 4 and emphasis is made about ‘repeated communication’ of this vision and its associated strategy. The steps 5-7 direct empowerment for others to act on the communicated vision and urge management to remove the obstacles to change that may exist in system or structure form. This assists the drive toward empowerment of employees and allows momentum to build by capitalising on wins. Step 8 is key in embedding the change since it directs activities focused on institutionalising the effort by system and structure improvements to allow for new routines to be established. The model’s place in the planned genre is associated with its linear form and structured set of steps. However, the language used in the early phases of the model – capturing urgency, power and vision – offer a real departure from the earlier planned models, whose language does not recognise the emotional dimension of change. It thus leans more toward the human experience of change, accounting for the emotions, feelings and attitudes of those impacted and involved.

2.5.6 The General Electric model for planned change

General Electric (GE) has been regarded as an exemplar of change by some commentators;

‘General Electric is renowned for its pioneering approaches to organisational change – and for recognising that significant change requires profound shifts in people’s attitudes and beliefs’ (Senge et al. 1999).

The GE model for change is known as CAP – the ‘Change Acceleration Programme’. It was implemented and rolled out to the organizational practitioners of change from the mid-1980’s. It is essentially a planned change model which comprises a number of steps, as illustrated in Figure 7.

The Change Acceleration Process Model

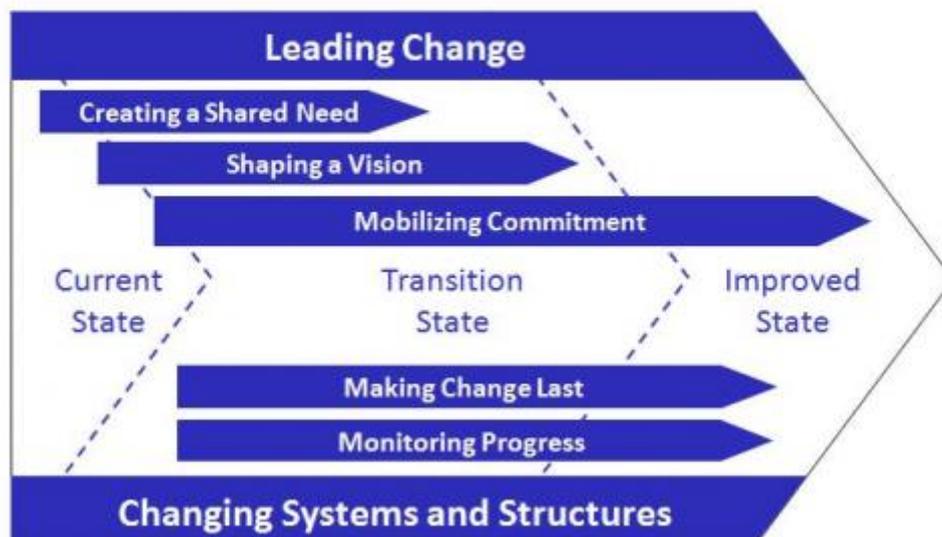


Figure 7: The GE CAP model

The components of the GE CAP model are articulated as follows:

- **Leading Change** – having a leader who owns and champions the change and commits his or her personal time and attention.
- **Creating a shared need** – ensuring employees throughout the organization understand the reason for change.
- **Shaping a vision** – ensuring that employees see the desired outcome of change in concrete behavioural terms.
- **Mobilizing commitment** – understanding the interests of diverse stakeholders, identifying key constituents, and building a coalition of supporters.
- **Making change last** – taking the initial steps to get change started and developing longer term plans to ensure that change persists.
- **Monitoring progress** – creating and installing metrics to assess the success of change, including milestones and benchmarks to chart progress along the way.
- **Changing systems and structures** – altering staffing, training, appraisal, communication, and reward systems, as well as roles and reporting relationships, to ensure they complement and reinforce change.

Throughout the training which the author has attended, there is also an emphasis on the predictable stages of change and the enabling of the transition to an improved state. The offers real parallels with the Lewin (1958) freeze-unfreeze-refreeze model and certainly the steps also have some resonance with the Kotter eight step model.

The motivation for the model echoes back to 1981 when the then incoming Jack Welch heralded an era of huge cultural change for GE. In fact, Jack Welch became nicknamed 'Neutron Jack' due to his aggressive downsizing and divestment of failing business models within GE. His assertion was that any business within the GE portfolio was to be either number one or two, as measured by market share, and that those businesses that couldn't were divested or closed down following a strategic review. He asked academics to propose a model that would enable effective change management on a large scale. The history of the model and its development is both illuminating and enlightening in that is one organisation's attempt to demystify the concepts of organisational change (Garvin 2000). More broadly, Jack Welch had a major impact on every aspect of GE. His career and influence are discussed in brief in Appendix 2.

Senge et al. (1999) suggest that all organisations can learn from the GE experience of managing change. CAP is regarded as a comprehensive and innovative initiative that can support organisational learning. However, it is argued that the language of

CAP also weaves in the terms crisis and heroic leadership. A further criticism is that the approach relies heavily on employee compliance and that the commitment might not exist if it were not for the sense of urgency provided by charismatic leaders. What seemed clear for the work undertaken is that GE moved from an entity driven by planning and certainty to one prepared to embrace change. Events such as the falling of the Berlin Wall and Gulf War helped to create an environment of global change and the ability to respond to it became a strategic focus for GE.

With regard to the closure of the Gloucester facility the management team used the GE CAP model and process to articulate the three defined 'business plan' areas of change as highlighted in Figure 8. This model and the CAP methodology has naturally surfaced in the research itself, with the facility management in particular referring to the model.

Change Management

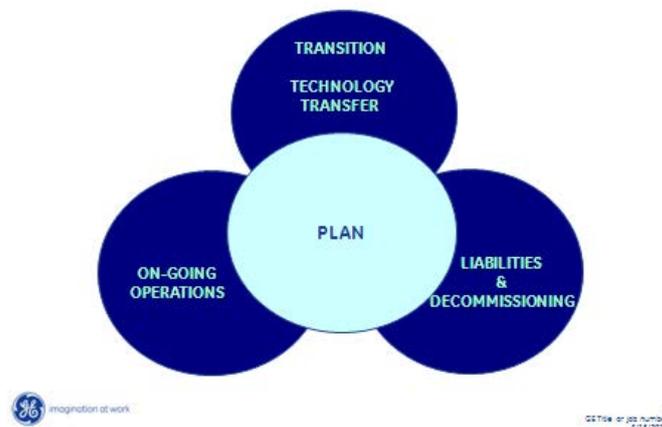


Figure 8: Key Areas of Change – Gloucester Site Closure

2.5.7 The Mento 12-step model

The GE model was further explored by Mento, Jones & Dirndorfer (2002), who selected it as a successful change management model for review. The authors comment that, in typical GE fashion, the CAP model is prescriptive and follows a checklist format. As such, the authors contend that the model offers no new knowledge but simply makes existing knowledge more accessible and ensures discipline in its application.

Mento et al. (2002) also calibrate the Kotter (1995) model and the Jick (1991a) approach to change management alongside the GE CAP instrument. By a process of analysis and synthesis, Mento et al. (2002) determine the similarities and distinctions between the three models, with the objective of developing a model for a US defence company. The product of the investment by Mento et al. (2002) is in fact a 12 step model, purportedly a hybrid of the models evaluated. Using the metaphor

of a ship embarking on a perilous journey, Mento et al. (2002) outline the 12 steps an organization must navigate to successfully implement change, as shown in Figure 9.

<ul style="list-style-type: none"> • The idea and its context.
<ul style="list-style-type: none"> • Define the change initiative.
<ul style="list-style-type: none"> • Evaluate the climate for change.
<ul style="list-style-type: none"> • Develop the change plan.
<ul style="list-style-type: none"> • Find and cultivate a sponsor.
<ul style="list-style-type: none"> • Prepare the target audience, the recipients of the change.
<ul style="list-style-type: none"> • Create the cultural fit – making the change last.
<ul style="list-style-type: none"> • Develop and choose a change leader team.
<ul style="list-style-type: none"> • Create small wins for motivation.
<ul style="list-style-type: none"> • Constantly and strategically communicate the change.
<ul style="list-style-type: none"> • Measure progress of the change effort.
<ul style="list-style-type: none"> • Integrate lessons learned.

Figure 9: The Mento Hybrid 12-step model (2002)

2.5.8 Limitations of the planned change approach

The planned change camp has many supporters and very few works on change management neglect to refer to the work of Lewin (1951), affectionately considered the father of change management. Dunphy and Stacey (1993) argue that planned change models are of less use when applied to transformational changes such as merger or crisis situations, where organizational conflicts may well exist. Dunphy and Stacey (1993, p. 918) argue that *'turbulent times demand different responses in varied circumstances. So managers and consultants require essentially a situational or contingency model, one that indicates how to vary change strategies to achieve optimum fit with the changing environment'*. Indeed, the work of Kanter, Stein and Jick (1992) takes a number of case studies of deliberate change and shows how 'change masters' emphasise the human element of such change programmes.

As one might imagine, there are supporters of the planned approach in the form of Burnes (2004) and Bamford and Forrester (2003). There are also detractors such as Senior (2002) and Kanter et al (1992), whose position is that the size and pace of

change can render a planned model ineffective and insensitive. These authors postulate that the planned change approach could not ably accommodate changes with higher degrees of complexity and uncertainty. This insight, it would seem, created the premise the conceptual divergence leading the emergent school.

2.6 Emergent Change

As acknowledged above, the planned approach does not exist in a vacuum and other schools of thought have evolved. Notably, the emergent change lobby has gained some ascendancy in recent decades. Seminal theorists in this area are Dawson (1994) and Wilson (1992). This school argues that change is reactive and not proactive. Indeed, the concept of change 'unfolding' is espoused with the explanation that multiple variables are at play in the dynamic. The fluid and emerging theme lends itself to a differing approach and mind-set which sees change as a continuous process and organizational interventions as cyclical or iterative.

Characterised by the cyclical or iterative nature of the model, the emergent strategies offer a divergence from the linear and sequential forms. The models are also seen as 'bottom-up' in philosophy in comparison to planned 'top-down' driven changes (Bamford and Forrester 2003).

2.6.1 Prochaka & DiClemente's 'Change Wheel' model

An example of one such cyclical model is Prochaka & DiClemente's (2003) trans-theoretical change theory. Applied initially to a patient's efforts to change health behaviours it has since found use in organization change strategies. The phases are;

- Pre-contemplation – failure to acknowledge the 'problem state'.
- Contemplation – consciousness of the issue at hand but not commitment to change.
- Preparation – ready to change, problem solving mind-set and support efforts mobilized.
- Action – engagement in agreed change activities.
- Maintenance – reinforcement tasks, new behavioural norms established and monitored.

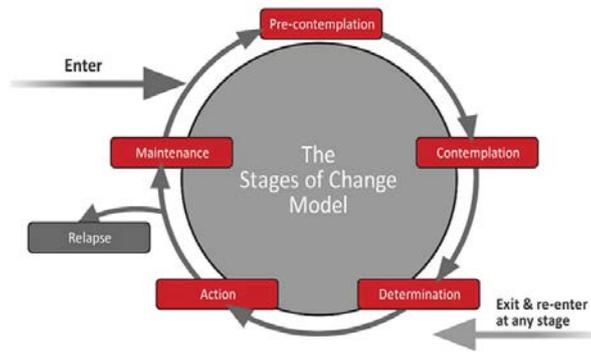


Figure 10: Prochaska and DiClemente (1982) – The Change Wheel

Importantly, the progression taken is cyclical and not linear and a spiral model is used to articulate the model. It is accepted there must be allowance for relapses and the ability to revisit specific phases of the model, dependent on the scale and magnitude of the relapse. Those subject to the change have the ability to exit and re-enter, dependent on circumstances. This is not to suggest a flaccid model but more to emphasise the persistent and tenacious nature of energy required for more complex changes.

2.6.2 Bridges and transition

The iterative nature of change is further emphasised by Bridges (1991), where he strongly asserts the distinction between change and transition. Change he argues should be seen as the outcome and the external event. It will be visible and tangible, whilst transition in contrast is the unseen, and sometime unspoken, and very much an internal event. The mental and emotional dimensions of the transition is the clear focus of his work and he postulates that many change initiatives fail through misunderstanding the organic process of transition which has its own natural pace. The phases of ending, neutrality and new beginning are articulated in the transitions model and importance of the intrinsic processes asserted.



Figure 11: The Bridges (1991) Transitions model

Haye (2007) distinguishes the emergent approach to change and considers that where complexity and uncertainty abound then the organization should focus on continuous improvement and the inherent ability to learn. He argues that incremental

change can be divided into 'tuning' and 'adaptation' – the former proactive and the latter reactive.

2.6.3 Kanter's 'Ten Commandments'

Kanter et al. (1992) have argued that change often happens so quickly that it is impractical to methodically identify and plan a controlled organizational response. Some commentators have argued that many emergent change models are too abstract and prove challenging to implement and explain (Burnes 2004, Tondem 2005). The Kanter et al. (1992) model offers a process which possibly breaks the mould in this respect. These are articulated as 'commandments' for executing change and are as follows;

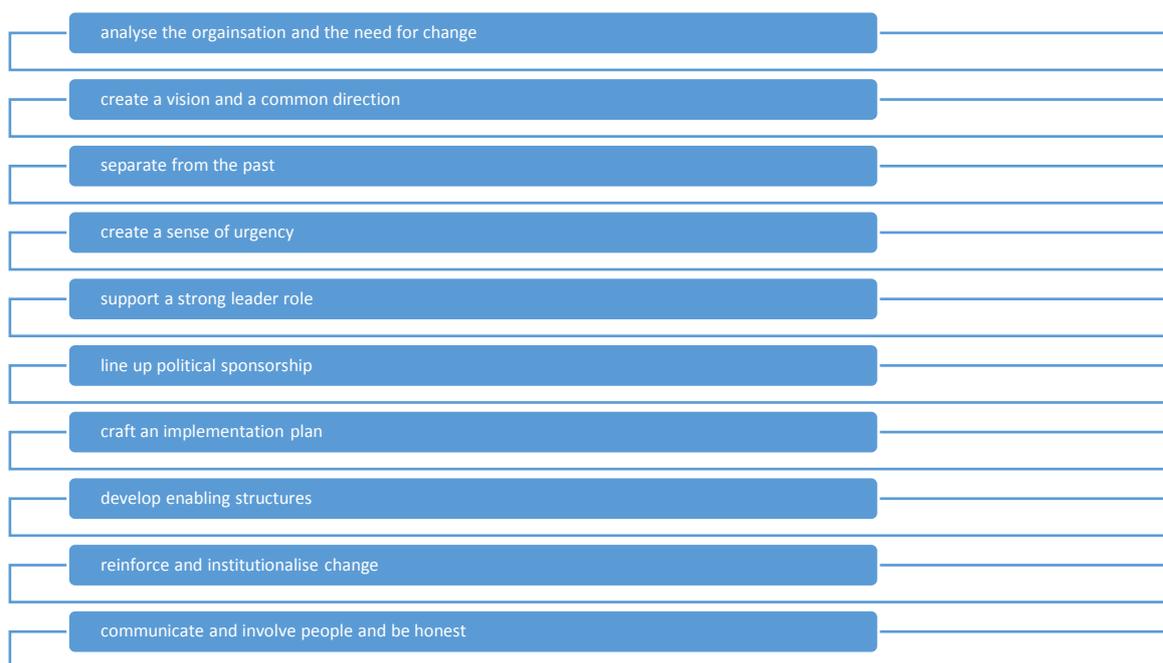


Figure 12: Kanter's (1992) 'Ten Commandments' model

2.6.4 Luecke's Seven Steps Model

Another emergent change model with a practical dimension is Luecke's (2003) Seven Steps. These seven steps have clear parallels with the Kanter et al. (1992) 'ten commandments' model but the final phases encourage more iteration and adjustment. The steps are:

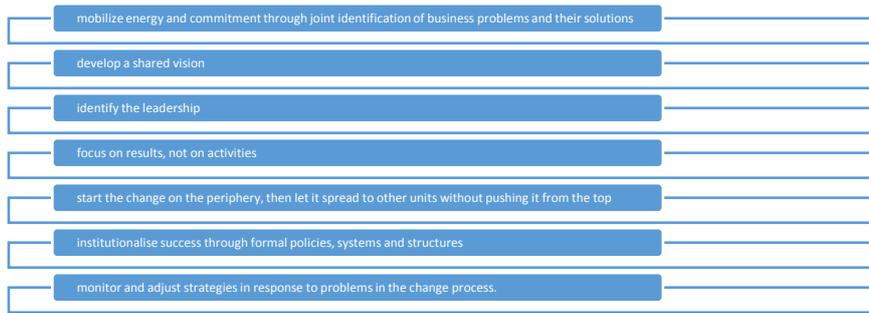


Figure 12: Luecke's (2003) Seven Steps Model

One might argue the Luecke's (2003) model and its language – 'mobilise energy', 'focus on results, not activities', 'let it spread without pushing', 'adjust the strategies' – is more provocative and open to interpretation than the previous models discussed. It does, however, offer a relatively practical structure which can be applied more readily than some more abstract models that would challenge those charged with implementation.

2.6.5 Change as a learning and development process

The open-ended evolutionary approach described by Tushman and Romanelli (1985) takes the view that learning should be central to the change experience as opposed to control in the phased elements of the planned model. The process, whether individual or group, should be guided to be continuous learning and adaptive experiential episodes. Furthermore, the model contends that change is directed by organizational circumstances which cannot always be controlled. Transitions, if offers can have many variables and different contexts which lead to complexity, whilst the uncertainty is due to the unregulated and often unpredictable nature of change. Pettigrew and Whipp (1993) propose a model which provides intelligence in the form of environmental assessment, competence development in terms of leadership and human resources and the drive for coherence between strategic and operational change.

Beckhard and Harris's (1987) model allows for competent positioning of a change to enable success. It also creates an opportunity to use the model to diagnose a change that is dysfunctional. The origination of the model stems from the equation shown in Figure 14.

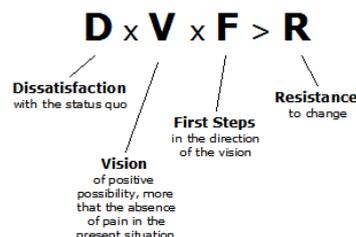


Fig 14 Beckhard & Harris (1987) Change Formula

This formula along with the model below (Figure 15) focuses on elements of human psychology, differentiating between change and the transition state. In an emergent format, it allows for revision of the equation and model to allow for adjustments dependent on the situation faced. However, Cameron & Green (2009) note that the model has been adopted by those with a planned change approach also and this is also true of the Bridges (2001) Transitions model (Figure 11). The creators of the model were keen to emphasise the role of productive interventions and the model's practical application based on empirical research in human psychology.

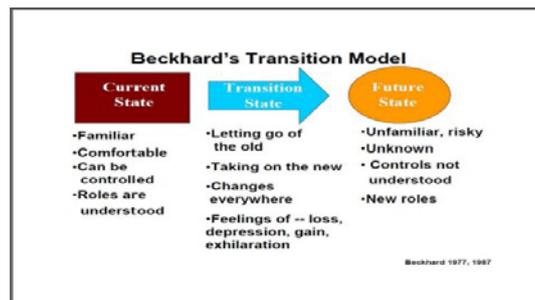


Fig 15: Beckhard & Harris (1987) Transition Model

2.6.6 The Nadler and Tushman congruence model

The Nadler & Tushman (1997) congruence model focuses on four component areas simultaneously. This, the authors contend, is how effective change management can be achieved. They use the excellent metaphor of a child's mobile toy, in that tugging one part of the mobile would exhibit a momentary imbalance or 'wobble' but eventually the mobile would settle. Only by manipulating all parts of the mobile can you fundamentally change its structure. The component areas identified for concurrent focus are:

- Work – the tasks on a daily basis.
- People – competence and desires.
- Formal organization – structure, systems, policies.
- Informal organization – power, influence, values and norms.

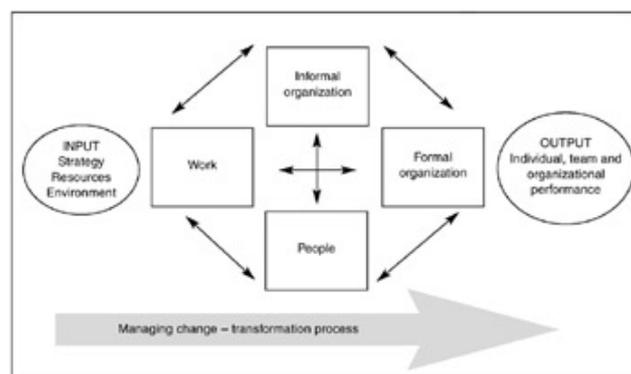


Figure 15: Nadler & Tushman (1997) Congruence model

Alignment of these variables to powerfully support the desired change will assist in the effort to prevent reestablishment of the old equilibrium. Again, the model is intended to have practicality in guidance terms but is not prescriptive. Nadler and Tushman (1997 p.38) write: *'Our congruence model is based on how well the components fit together – that is, the congruence among the components; the effectiveness of the model is based on the quality of these fits or congruence'*. Accordingly, the rule is to look at the congruence model as a means for organizing your thinking, not as rigid prescription.

2.6.7 Emergent change and 'organizational fit'

Dawson (1994) develops a processual approach which he claims is less directional, less standardized and can be adapted into an organizational fit. The model is designed to accommodate the complexities of change by not framing linear steps and/or prescriptive actions, instead guiding the practitioner to a loose ultimate destination which can be refined, and focus and direction altered as appropriate. As opposed to the 'top down' view it also emphasised that this is a stakeholder model where the responsibility for success lies with all and not the 'management few'.

The theme is further supported by McCalman & Paton (1992) by emphasising that managers require an in-depth understanding of the operating environment to enable expedient reactions to the change forces as they arise. This is done effectively by a survey of the internal and external environment to ensure reactions and strategies are context-sensitive.

Haye (2007) differentiates between two types of revolutionary change: reorientation and re-creation. Reorientation is defined as a proactive response to perceived opportunities but nonetheless transformational for the entity concerned. Re-creation on the other hand is a reactive change which requires a fundamental rethink and 'reset' of the organisation in question.

Although the notion of emergent change might suggest a haphazard and undefined approach, in practice this need not be the case. Haye (2007) contends that clear alignment to organizational strategy can make the emergent approach an area of competence for the adaptive and evolving organization. Managers proactively scan the environment to determine what the pressures for change are likely to be and then adapt, with the ultimate objective of improved performance.

2.7 Contingency Approaches to Change

The proponents of the contingency approach to change management argue that the effectiveness of change management is contingent on the convergence and interaction of specific situations with management behaviour (Tondem 2005). Accordingly, the approach taken will very much depend on the circumstances. In this genre of change, it is proposed that one size does not fit all and that management

choice is at the interplay between the executor, environment and circumstances that are undergoing change. As previously articulated, there are many dimensions to change and it is in the analysis of these dimensions that the supporters of the contingency approach encourage a flexible mind-set. Consideration of the key situational variables is fundamental in determining what change strategy is adopted in the context of the time available and drivers such as environmental uncertainty, technology and size (Burnes 2004). The examination of internal dynamics and competition will assist in defining the suitable conceptual approach to the management of organisation transitions.

2.7.1 Dunphy and Stace and situational / contingent approaches

As suggested, the contingency approach encourages the examination of a multiplicity of approaches and flexibility of mind-set. Dunphy and Stace (1993 p. 905) characterise the contingency approach as '*a model of change that is essentially a situational or contingency model which indicates how to vary strategies to achieve "optimum fit" with the changing environment.*' This approach places great store in analysis and response to the environment and awareness of the ability of the organisation to effectively influence the environment itself. Looking inwardly and objectively at the appropriate management behaviour is also fundamental to reaching the desired 'optimum fit' with the environment.

Dunphy and Stace (1993) argue that an organization may fare better by taking a 'situational' or contingent approach to managing change. This contingency approach is explored further by Tondem (2005) where it is asserted that both emergent and planned change models remain unchallenged by contemporary change management. The contingent models take the premise of 'optimum fit' much further, arguing that there is a choice, given the situation the organization finds itself facing. The situational variables thus determine the approach taken.

2.7.2 Burnes and flexible adaptation

Burnes (2004) adds that the situational perspective to change management may well be appropriate where flexibility in approach is required. In this respect, he proposes that a holistic philosophy may be applied, whereby a planned change may be appropriate to one set of circumstances and an emergent approach to another. The organizational context, and in particular the constraints in a given situation, guide the selection of the method. Best fit theories and models are matched with the nature of change underway, taking account of sequential, cyclical and iterative changes.

This understanding is further expounded by consideration of what are termed the key situational variables, which will be dependent on the organisation and its current situation. These are articulated as environmental uncertainty and dependence, with a consideration of the choice, trajectory and change processes (Burnes2004). With environmental uncertainty, the argument is that we struggle to understand and

control events completely in either internal or external perspectives. This also refers to understanding the actions of others, which makes prediction a risky enterprise. The aspect of dependence examines goodwill and support, the relative expectations of management and the consideration of vulnerability on this basis. When this is factored into decision making, the aspects of choice, trajectory and change can be used in a contingent framework. The notion of 'choice' asks searching questions around the organisation decision-making process, while 'trajectory' embeds the direction both past and present and 'change' pulls in the mechanisms used to effect the change results. Ultimately the situation is the change focus but there is management choice.

Burnes (2004) suggests that the emergent and planned models can be applied to all organizations but one may be more suitable than another, dependent on the change contexts. It can be argued that this is too limited a view and that the general model should be situational, allowing modification of change strategies to achieve the 'optimum fit' because of the clear integration of organisation, inherent culture and variable stimuli.

2.7.3 Fullan and mind-set areas

The work of Fullan (2001 p 34) suggests that leaders bend flexibly to a contingent approach by *'letting change happen and to be pulled by concerns out there and not in here'*. In his work he is not trying to denigrate the planned genre of models but feels that the drive to a 'Holy Grail' of change management is deceptive, in that it suggests that there is 'one answer' to the change dilemma facing the manager, when each change situation should be taken on its individual merits. He adds that change can be effectively led and leaders do make a difference. Fullan (2001 p. 34) encourages the leader to *'feel the complexities of the change then to develop a mind-set and an action set that one expects to constantly refine on the basis of events'*. He advises leaders to accept that there are no shortcuts to managing change and that their mind-set should not be one of 'control' but of response and reculturing. Fullan's prescription is a set of 'mind-set requirements' that are not a sequence and the emphasis of each will change dependent of the environment, the change situation and leadership style and approach. The change process mind-set areas are:

- The goal is not to innovate the most.
- It is not enough to have the best ideas.
- Appreciate the implementation dip.
- Redefine resistance.
- Reculturing is the name of the game.
- Never a checklist, always complexity.

Each area encourages leadership to develop a mind-set capable of responding to the concerns that manifest themselves. The author also asserts that certain leadership styles are conducive to long term change efforts, whilst others may yield resentful but short-term compliance to authority. In this model, a checklist is to be avoided – as Fullan (2001 p.44) asserts “*there can never be a recipe or cookbook for change, nor a step by step process.....I have argued that it will be more productive to develop one’s own mind-set through core components of leadership*’

Change leadership research by Fullan (2001) suggests that the linear approach to change is most unsuitable to organizations in perpetual transition. The timeframes of the change are of obvious importance when considering approach and Fullan (2011) suggests that change should be about learning, treated like a journey, resourced appropriately and supported with organization power. He argues that there is no ‘blueprint’ for transitions and the acceptance of the ‘need’ to change, and that the process of organizational transition and implementation of the new work practices all occur at the local level.

Carr et al. (1996) emphasise that the model used must fit with the organization’s capabilities. They argue that where changes have been successfully managed, they see some common threads in the form of:

- Acceptance that change permeates all levels.
- Clear change strategies.
- Critical success factors.

Success in their view is delivered where the change is considered at all levels encompassing the structures, work practices and behaviours. The next factor identified is that change strategies have clear preparation, implementation and monitoring components. Then critical success factors are formulated, ensuring that the elements that must be addressed if the change is to be considered a success have been identified and are shared.

2.8 Challenges in Managing Organisational Change

2.8.1 Resistance to change

Resistance to change is nothing new. In the 16th century, Niccolo Machiavelli commented that ‘*The reformer has enemies in all who profit by the old order*’ (Macchiavelli 1961).

Burke et al. (1992) undertook research into change effects within a manufacturing environment and found resistance manifesting itself in the form of high turnover of staff, low efficiency on the production line and a ‘work to rule’. It has been commonly understood that non-management staff tend to be the strongest in their resistance to change (Moore & Grengen 1985). However, Griener (1998) suggests that the

strongest resistance is located at the top of organization, where power bases and vested interests in the status quo lie.

As Mento et al. (2002) argue, the acceptance that there is likely to be some resistance to the 'new' means that communication is key in addressing this area of the psychology of change. In his view, it is fundamental that the purpose of communication is seen as firstly to increase the organization's understanding of the change and furthermore its commitment to it. Secondly, communication should be focused at reducing confusion around the change and the resistance to it – in essence, preparing the employees for the positive and negative elements of the change.

Hoffer (1976) argues that no one really likes the new and articulates the 'ordeal' of change. In his work, he uses his own experiences of small individual changes to explore the human response to change. He describes the small changes in work type and his natural unwelcoming thought processes and contrasts this with more dramatic changes that almost all face. He asserts that preparation for the wholly new is not always possible and elements of fear that arise from the unknown lead to the 'inner trembling' with which we all are familiar. This does not mean that all experience the same level of fear to similar types of change stimulus but that the phenomenon does exist.

The acceptance of a natural human resistance to change is further developed by Musslewhite and Ingram (1999), where the authors settle on the notion of three broad categories of response to change;

- Conservers – value organization, predictability, detail oriented and take a cautious approach.
- Pragmatists - flexible, open-minded, outcome-focused, catalysts for understanding and take a team-oriented approach.
- Originators – unconventional, spontaneous, challengers of accepted assumptions and appear visionary in their thinking.

The Musslewhite & Ingram (1999) work is set in the era of the 1990's ascendancy of 're-engineering', originating with Hammer (1990), and it leads the reader to the conclusion that the 'originator' mind-set is what is required to provide the momentum required for major changes. Hammer's (1990) assertion is that small changes in the organization ignore the fundamental 're-think' of processes that is required, with the knowledge that very little of what is done adds actual and tangible value for the customer. Although one might argue the framework has some bias in this respect, the categories provided are still useful in describing the types of resistance encountered and also propels the idea the certain individuals might seek out change and actually enjoy the experience. This certainly diverges from the Hoffer (1976) description of the natural human default predisposition to resist change, offering the

possibility that a certain type of personality may well thrive in a rapidly changing environment.

Rogers (1983) offered a subtly different perspective in categorising the organization's response to change. The notion of conservers, pragmatists and originators is contrasted with the concept of 'change agents' – a term that is used widely within the literature. The change agent, it is postulated, sees the need for change and can convey this effectively to others. These people become catalysts for the change and are people it is recommended are placed in positions of key influence to progress the change. These individuals are starkly contrasted with the change resisters, who either actively or passively resist the initiative. It is argued that this group has something to lose as a result of the change and, as such, resisters can be identified proactively and plans made to 'bring on side' or 'usher outside' can be formulated.

The work by Rogers (1983) leads to observations about the characteristics of successfully implemented changes. Those initiatives which deliver improvements over the status quo, and have a 'fit' with the values of the population experiencing the change, are more likely to succeed. Initiatives that are understood and offer 'pilot scale' experimentation opportunities, also offer further advantages in the quest for success. Demonstration of success in an alternative setting is also highlighted as a powerful way of furthering the transition agenda.

Kegan and Lahey (2001) further explore the phenomenon of human resistance to change in organizational settings. They contend that the assumptions made at the surface level about common reasons for resistance for change need to be challenged. When challenged with four key probing questions, a 'competing commitment' can be uncovered. This competing commitment, which is commonly well hidden, is the unseen commitment that an individual is investing in contrast to the explicit and stated commitment. In examples offered in their work, competing commitments may include the fear of further responsibility, or a wish to remain part of an existing social or hierarchical group.

The research of Bridges (2001) yields an important contribution to knowledge in the form of understanding human resistance to change. The assertion in this work is that humans don't resist change – in fact, some individuals relish an environment of change, so if resistance isn't a natural position then there is another, more compelling, driver as an explanation for the human response to change. The research articulates the great driver of human behaviour during change to be that of loss or potential loss, and not necessarily the change itself. Bridges (2001) explains that 'loss' can fall into the following areas:

- Identity.
- Control.

- Meaning.
- Belonging.
- Empire.
- Relationships.
- Structure.

The key then to managing change at the individual and the collective level is understanding what loss is being experienced and how change strategies can be developed accordingly.

Heath and Heath (2011) offer their own musings, based on a significant body of research into the reasons for human resistance to change. A compelling argument is formed to support the idea that humans have only a finite capacity for change. Often, resistance to change is mistakenly identified, when those involved in the change are simply exhausted. The exhaustion will stem from the fact they are being asked to tinker with behaviours that have become automatic – the scale and frequency of changes will sap an individual's mental muscle of self-control. They also argue that the logical and emotional elements of change need to be accounted for and designed into any change, since one without the other will be ineffectual.

Kegan and Lahey (2001) and Heath and Heath (2011) assert that individual reactions to change are often misunderstood, and consequently organisation strategies poorly structured. More broadly, it is notable that not all models account for an assessment of the capacity to change, which is a clear output of the resistance to change literature.

Keegan and Lahey (2001) argue that understanding competing commitments, and also the 'big assumptions' that are the deeply rooted beliefs at an individual level, provide a psychological explanation of why surface level resistance can be interpreted incorrectly by managers. This work offers an interesting proposition in the context of psychology of perceptions of change and asserts at its outset that all managers must in a sense undertake the role of psychologists. The authors contend that the 'competing commitment' can be further understood by asking key questions at an individual level:

- What would you like to see changed at work, so that you could be more effective or that work would be more satisfying?
- What commitment does your complaint imply?
- What are you doing or not doing, that is keeping your commitment from being more fully realised?
- If you imagine doing the opposite of the undermining behaviour, do you detect in yourself any discomfort, worry or vague fear?

- By engaging in this undermining behaviour, what worrisome outcomes are you committed to preventing?

This process identifies the competing commitments, representing a form of self-protection, which can be misunderstood as the supposed human default of 'resistance to change'. The article further develops the 'big assumption', which it argues are what the competing commitments are fundamentally protecting the individual from. These deeply held beliefs and values represent our map of reality and help make sense of the world at large, and also threat of a change. These are compelling behavioural anchors which can be applied to the fundamental changes experienced during a facility closure.

The literature focussing on, and adjacent to, employee perception of management actions offers a real insight into the premise of the study and the anchor of the fourth research question. The assertion that all managers are psychologists in a sense (Keegan and Lahey 2001) is revealing and on reflection also very sensible. The process of unearthing the 'competing commitments', by probing employees on desired changes, potentially leading to increased job satisfaction and a more effective contribution, leads to a richer understanding of employees' perspectives. These 'payoffs' offer a clear insight into employees' perceptions of management and the environment. It would seem self-evident that management actions lead to employee responses in the form of trust or mistrust (Phillips & Koehler 2004). The range of actions considered critical by employees cover leadership integrity, consistency of communication, fairness in applying standards, compromises to values, management accountability and quality and quantity of feedback. These are important threads of enquiry in the study.

2.8.2 Kotter and organisation structure

The issue with hierarchy, Kotter (2011) argues, is that it isn't designed to cope with or facilitate the transformative change initiatives such as a new business model, novel product introduction or large-scale market development. In his opinion, the 'hardware', which is the hierarchy in this example, and the 'software' which are the management processes which run off the hardware, require change themselves in the face of transformative changes.

Kotter (2011) explains that the origins of the organizational hierarchies that we see today stem back to the last century. Moreover, the familiar hierarchies have become excellent and proven ways of delivering business results which require a platform of stopwatch efficiency, standardised processes and ability to solve short term problems. It is now argued that as organisations experience a different type of transformation, which involves interruption to hierarchy, the need for teaming, less co-location, technology advances, advance of networked structures and introduction of innovative practices, that an improved appreciation of change management is required (Liebhart & Lorenzo 2010).

Hierarchies have changed from the traditional command and control to the more flexible and teamwork-oriented structures, on the basis of cues from the external environment (Ashkenas et al. 1995). Indeed, some authors have posited more radical models based on the science of genetics, whereby each organization's uniqueness can be explained (Lim, Griffiths, and Sambrook 2010). In addition, work methods utilised are designed to deliver a more responsive and agile organization, as argued by Hitt et al. (1998). Process redesign, elimination of waste, customer focus and responsiveness initiatives abound in the organizations intent on surviving and indeed thriving.

Kotter (2011) then proceeds to envision a 'future state' of a dichotomous organization which houses both a hierarchy and a 'network'. The network is described as teaming, egalitarian and adaptive, insisting that both forms are purposive with the hierarchy in place for optimising work and where the network grabs the opportunities that change affords. The systems must co-exist and the network creates the urgency around tomorrow's possibilities, whilst the hierarchy deals with today's realities.

2.9 The Management of Redundancies and Closures

Within a closing plant, the expectations of managers to deliver for the business do not lessen. However, as argued by Rydell and Wigblad (2012), the additional burden of helping employees navigate redundancy is apparent and managers are patently aware of the need to manage the precarious balance skilfully, as an additional responsibility. Research by Marks and Vansteenkiste (2008) suggests the employees expect three areas of support if the closure were to be considered competent and ethically sound: practical, emotional and informational.

Rydell and Wigblad (2012) have crafted a plant closing model which articulates the common phases which involve managerial actions. The PNP (Pre Notice Period) is punctuated by an awareness period (AP) where the executive team become aware of the possibility of the plant closure as a strategic action. This is followed by an investigation period IP where the plant closure is explored with intent and compared to alternative options. The ANP (After Notice Period) follows the staff announcement and incorporates a negotiation period (NP) and the actual closedown period (CP) itself. Each phase requires a different type of management input and, dependent on the organisational strategy, lead open or closed information loops.

In British companies, little or no training is given in how to handle redundancies. One survey found that only 16% of people who conveyed the news had been given external advice on how to make staff redundant (Doherty 1993). That the management role is critical in shaping events and experiences of employees is a given and the research of Greenhalgh et al. (1988) points towards the pivotal role of these actors in such situations.

Managers in many cases have to face insecurity themselves as they commit to executing the redundancy actions of the organisation in the midst of restructuring (Hallier & Lyon 2005). The level of managerial control during execution is regarded as a significant determinant of comfort in the managerial experience. Examples of a high degree of managerial control are reported as executing compulsory redundancy with outplacement, whilst early retirement is an example of low managerial control and higher levels of employee influence (Greenhalgh et al. 1988). Lewis (1993) argues that the middle ground of 'induced redeployment', where selection criteria are applied and new organisation structures are announced to which employees may apply, provides more complexity and management work. In studies, managers have been shown to be effectively persuasive in achieving the desired 'future state' by financial and non-financial inducements, to the point that *'increasing the target staffing reduction may add to the pressure on employees and may further reduce morale. More volunteers may result. Intensification of work and other changes may have a similar result'* (Lewis 1993 p.34).

A personal perspective of managers is captured in research by deJanasz & Kenworthy (2012), which points toward the redundancy experience being a positive one for managers, which allowed a life reassessment leading to an ultimately more balanced life. This recalibration enabled the indulgence of the larger life questions of 'Who am I and what do I want to do with life?' In this respect, the 'crisis of redundancy' for the managers who were the subjects of the study actually became a chance for profound reflection. This study was specifically focused on the management population and suggested that as managers climbed the corporate ladder they may well have become divorced from their 'authentic selves'. Respondents certainly recognised the self-doubt and cynicism the redundancy process brought, but the need for authenticity and integrity surfaced strongly in the research. The fact that these managers in the 'middle to upper' ranks might be able to forego the corporate benefits and higher salaries would have been an important factor worthy of consideration, suggest the authors. The respondents expressed four clear priorities during the redundancy episode:

- The desire for a more balanced life with more time for family and friends (50% of the respondents). Many of those looking to reduce the amount of work that they were previously doing.
- More meaningful work which they felt contributed to society (92% of the respondents), with the term 'meaningful work' becoming a key search criterion for the next opportunity.
- Job security became a priority for 50% of respondents.
- The desire for personal happiness in the job was expressed by 33%, with trade-offs accepted in level of responsibility and salary for such benefits.

The managers did articulate the fact that self-doubt had an impact on them at a personal level during the episode and this was shared by 42% of those responding, whilst 33% explained that they felt a general cynicism about organisations and their own individual futures.

Managerial restructuring has become more commonplace over the last two decades as organisations look to become more competitive and use information technology to the organisation's advantage. Thomas and Dunkerley (1999) suggest that this new environment has led to fewer roles for middle managers to progress to in a traditional hierarchical sense. These hierarchical steps were seen as the traditional reward for the continued effort of working within intensified work regimes.

Molinsky and Margolis (2006) suggest that implementing downsizing and delivering redundancy notices is accepted as an area that presents emotional challenges for the implementer of redundancy. Wright and Barling (1998) add that there can be overload with respect to work tasks, an epiphany of 'meaning' and a decline in personal well-being. Empirically, this can result in a dread of the organisational future, a retreat from loyalty to cynicism and shattered morale (deJanasz & Kenworthy 2012).

Thornhill et al. (2000) suggest that the subjects of redundancy actions can be divided into three distinct populations: the victims, the survivors and the implementers. The victims are separated from the organisation, the survivors are those who remain behind, and those who are responsible for the implementation of the restructuring programmes are referred to as the implementers. The case study of a plant closure provides a different dimension, whereby most of those managers delivering such notices will ultimately receive such a notice of redundancy themselves.

Spiller (2000) argues that it is clear that the goals of employees change during a closure, job security is lost and the new goal is alternative employment. This is understandable, but the management response must be appropriate in creating the safe path to future employment whilst ensuring the pre-existing business objectives are not compromised. Importantly, employees seem to be willing to give up the extent of their influence for a sizeable compensatory payment. In this sense the employees may believe they have exercised a degree of 'collective control' in securing a relatively generous redundancy payment, as a trade-off to avoid negative employee reactions (Thornhill et al. 2000).

In respect of managerial trust of employees, it is considered that managers must have trust in their subordinates' personal capacity and development potential to give up control around the detailed aspects of the job procedure and thus allow more autonomy. This is important if employees are to assume more control of their daily working practices in a closure event (Lewicki et al. 2008). The move to relaxed surveillance has benefits for the organisation, with respect to a reduced cost of monitoring by management. If the return to higher levels of monitoring is seen as a

credible threat, then the absence of management 'breathing down the neck' can be handled responsibly, with employees applying more, rather than less, discretionary effort. This can be regarded as an exchange of cooperation or compliance for the relief associated with relative working autonomy (Akerlof 1982).

2.10 Plant closure

2.10.1 What drives a plant closure decision?

The decision to close a facility is very often an issue of controversy and is considered an important judgement to justify (Thornhill et al. 2000). As such, specific research has been conducted on this aspect of decision-making in the midst of changes in the economic lifecycle (Howland 1988). Howland identified a number of possible drivers for the closure decision, including:

- International/domestic competition (58%).
- High labour costs (22%).
- Union activity (10%).
- High energy costs (2%).
- High regional taxes (1%).

A corresponding study (Raturi et al. 2009) offers similar reasons for plant closure decisions:

- Globalisation and country level shifts in core manufacturing capabilities.
- Outsourcing of specific capabilities.
- Corporate initiatives to improve profitability through cost (plant overhead) reduction.
- Natural catastrophes.
- Operations and supply chain restructuring.
- Exchange rate/political risks.

Supporting research is found in the form of Massey and Meegan (1982) which reviewed job losses across 60 UK industries. The study categorised job loss as follows:

- Job loss due to technological change.
- Intensification of the production process (increasing worker productivity without substantial technological change).
- Rationalisation of the production process (cutbacks in declining industries).

McDermot (1989) suggests that the impact of the global market had become increasingly important as the dynamic of influence, as opposed to the national market and national demand. The research did not identify patterns of organisational response to the perception categories identified. The work argues that there can be a variety of responses to development of one or more of the categories. These responses might include plant closures, diversification of product lines or seeking new markets.

Richbell & Watt (2000) consider the plight of plants in a multi-plant environment and generate a plausible hypothesis around plants more likely to close. Plants vulnerable are;

- Relatively small with the company context.
- Limited range of on-site activities.
- Tightly constrained and difficult access.
- Labour problems.
- Old equipment and buildings.
- Distant from the HQ.
- Cut in capacity required by the wider business.

Industries are impacted on differently by the spectre of plant closures and manufacturing sites in particular demonstrate a higher susceptibility to a closing decision. Schroder (2013) suggests that those working in manufacturing have the highest likelihood of experiencing a plant closure. Retail, community establishments and construction in the survey follow manufacturing sites for rates of incidence of plant closure selection.

2.10.2 Plant closure selection

The research into plant closure selection is sparse and the author could not locate work specifically in the pharmaceutical sector. However, work undertaken by Stafford (1991) details comprehensively the drivers for plant closure selection. In this work it is asserted that plants are selected for closure on the basis of the following:

- Poorly performing operations.
- Declining demand or market share.
- Increased profitability by redeployment of resources.
- Expansion or growth of product range or technical requirement.

The work also suggests that while large-scale capital investment might be a barrier to entering an industry, by the same token immobile capital assets may also be a barrier to exit. Further factors at the plant level are considered in the form of:

- Age.
- Size.
- Expansion space.
- Flexibility of plant.
- Resale value.
- Capital/labour ratio.
- Area wages.
- Area business climate.
- Area labour relations.

Although the study is a US-based one and limited in geography within the US, the factors identified offer a framework for initial evaluation of selection. The study concludes with the view that two-thirds of plant closures were due to economic necessity, whilst the remaining ones could be described as opportunistic.

Another US-based study by Perrucci et al. (1998) proposes that the reasons for plant closures derive from pursuit of lower labour costs, as a response to declining profit rates and capital flight. This work embraces the social consequences of closures and highlights impacts on the financial stability and health of displaced employees, change in political affinities and negative consequences for local communities. The research reflects on the motivation for the elimination of plants in the context of less efficient plants releasing their resources to more efficient plants, thereby offering the customer more of what is desired at more attractive prices. In respect of the Gloucester closure decision, it is excess capacity which clearly presented the need for a review into the sustainability of the plant. There is logic in this respect when one considers the investment requirements of maintaining a high grade pharmaceutical production plant.

From an organisational perspective, it is suggested that many companies do not experience the desired financial benefits of downsizing. Anticipated lower cost per unit ratios, improved profit and boosted stock prices often do not materialize (Applebaum 1999; Cwalkin 1995; Marks & De Muese 2003). In parallel, many structural benefits do not manifest themselves, such as reduced operating cost, slicker communications, increased innovation and enhanced productivity (Cascio 1993). Nonetheless, businesses persist with short-term actions designed to deliver more profitable organisations and those more attractive to investors.

2.10.3 Management challenges of closure

Although relatively few executives have navigated the task of closing a facility and then contributed to a wider understanding of the process, there is an accepted range of operational challenges for consideration (Freeman 2009).

There is a balance to be struck between closing effectively whilst continuing to deliver company products. The areas of inventory management, cycle counting, maintenance and repair, capital projects, quality considerations and operational staffing and morale need to be factored into closure plans. With respect to inventory, early on in a site shutdown, leadership should assess all inventory items and create disposition plans, as there are a limited number of disposition categories from reallocation, conversion to scrapping. There must be recognition that the closure cannot be concluded until the complete inventory is taken from the plant (Woodford 2009).

It also follows that maintenance and repair tactics should be reviewed on the basis of applicability, with respect to the closure time horizon. The inventory of spare parts should be evaluated in this regard, with an eye to reducing unnecessary holdings and working with suppliers or similar facilities to displace superfluous quantities. Cycle counting which categorises inventory in terms of value, physical quantity, lead-time and storage sequence is an effective way of capturing ongoing inventory accuracy and movements. In the event of a site closure decision, the policy adopted might not be appropriate. A different approach may therefore be implemented from announcement onward. A searching and comprehensive review of the capital projects underway at the time of announcement should be undertaken. Different criteria in terms of investment payback are recommended, incorporating the new time horizon, and therefore many capital purchases may be halted (Woodford 2009).

There are quality attributes to the closure challenge too, the customer does not want to experience any deterioration to the product and service whilst the site is closing. As such, the management needs to identify ways to monitor any negative trends in this area. This can come as a result of sabotage by disgruntled employees or due to the loss of critically trained employees, thereby diluting the competence of the remaining employees. There is a potential risk in sharing the decision to close earlier than necessary, in that talented employees may leave (Tang & Crofford 1999).

The area of operational staff and morale is obviously key since it is a rare occurrence if a closing decision does not place a significant burden on the employee-employer relationship. Once the premise of job security is removed, employee motivation levels can plummet along plant morale leading to poor productivity and a volatile work environment. Moreover, the senior management team should be mindful that neighbouring facilities can be impacted negatively, with employees concerned for their security, and this can also happen within the company network (Woodford 1999).

The pharmaceutical industry employs a series of regulations to ensure that medicines produced are safe, efficacious and of the right quality. These expectations must be maintained during start up, on-going operations and closedown. The industry is highly regulated and the requirements for manufacturers, who have to be

licensed by the government, are laid out in UK and EU law in a comprehensive set of guidelines by the regulating body (MHRA, 2017).

On notification of a shutdown, the regulator increases the frequency of audit since the risk category rating of the site is raised as a result of a shutdown. The increased oversight at the facility is to ensure that there are no avoidable interruptions to key medicines and that quality standards are maintained. The company is asked to present quarterly data on quality control results, deviations to the process and any customer complaints arising from the use of medicines produced at the facility. In addition, the regulator monitors any management turnover since competent leadership of such facilities in terms of experience and qualifications is required as licensing condition. Key 'responsible persons' for production and quality assurance are identified on the manufacturing authorisation (MA) issued by the government. Another area of focus is turnover of manufacturing, quality control, packaging and shared services staff (IT, engineering etc.) since having trained staff is also a requirement of the regulations. The use of contract labour in such situations is strictly monitored in terms of training protocols. In addition, the manufacturing process and supply chain is expected to be strictly controlled to ensure that expired starting materials and non-conforming items are not used, as inventory levels are potentially run lower than in an ongoing operations scenario.

Importantly, the manufacturer is required to retain responsibility for unexpired batches of material that might remain on the market after the site has closed, since many medicines have a 2-3 year shelf life. There is an expectation that stability testing programs will continue so that the public can be assured of the potency and safety of medicines in the public domain. Plans to delegate authority following closure to another manufacturer are laid out in government rules and guidance. Clearly, closing a pharmaceutical site invites a potential risk to public safety and as such these key expectations are clearly articulated.

2.11 Leadership Approach in a Facility Closure

It has been argued elsewhere in this literature review that a facility closure can be viewed as natural as the inception and birth of a facility. Even if this is the case, and the author accepts that this is a reasonable position to hold, leadership strategies in such scenarios can be appropriately crafted. Importantly, it is suggested that little exists in terms of advice and recommendations with regard to leadership strategies and action to be taken when closing an operation (Woodford 2009).

Where leadership of startups may require entrepreneurial spirit, drive and energy and an optimistic mind-set, the organizational death requires a mind-set of compassion allied with organizational discipline that ensures the entity doesn't 'fall apart' and hence prematurely cease to exist as the ownership abandons ship early in an effort to protect organizational reputation.

As the old world of relative permanence, career building and establishing organizational tenure gives way to a new world of a temporary arrangement which is much more transactional in nature, a new management order should be considered. Some of the literature on change covered in this section beforehand has considered the need for prior assessment and it is suggested that leadership approach should be part of such an assessment, since its impact can be significant. Importantly, the issue of trust in management has been emphasised and has a high degree of relevance in exceptionally challenging environments, such as facility closures.

2.11.1 Building of management trust in facility closures

Although there is scant extant research on employee perceptions of management actions in a facility closure, perceptions of actions on their well-being has been examined. It is clear that poorly managed closures can lead to ill-will, legal action, distrust, decreasing productivity and even sabotage (Woodford 2009). In this study, employees expected communication to be frequent. There was also a desire for a generous severance package and both elements were associated with higher levels of well-being amongst employees. From the perspective of employees, the individual view of one's own employability was also associated with personal well-being and subjective views of health. Clearly, the employer can offer support in the form of job search and preparation but there are still highly individual elements of personal history, resources and intrinsic psychological barriers to factor in to the employee support offering (Stengard et al. 2014).

Perceptions have defined as views and feelings and as such can be attributed to experiences within the context of organisational justice (Greenberg 1987). A shift in the employer-employee relationship and subsequent change in the relative 'exchange' between the parties as a result of employment status can be expected to shift in a significant respect. Minor breaches to the contract may well be overlooked if the quality of employee-employer relationships is perceived to be high (Teleab et al. 2005).

Such employee perceptions of management actions in a broader sense have been studied (Albrecht 2002), as have the type of management actions were more important in the context of influencing employee behaviour in downsizing scenarios. It is recognised that *'management actions are important determinants of employee perception and behaviour'* (Philippe & Koehler 2005). The areas that surface are consistency of word and action, commitment to values beyond expedience, need for competent explanation of why, fairness of application across the workforce, accountability for mistakes and timely feedback. The key challenge is to identify and understand those actions which lead to trust, or distrust, of management (Philippe & Koehler 2005).

The role of management in developing an environment of trust has been researched and the efforts in building relationships with employees through social interaction is

regarded as particularly powerful. Employees derive a feeling of value through such interactions, when consulted regarding the organisation change and sense they have been accorded a level of respect through the action itself. Even when management decisions have been unpopular, employees can regard themselves as having been handled with dignity and respect through clear explanations and equitable treatment. The aspect of communication and the process of listening to employee views in a genuine and sincere way has been suggested as a key contributor to managerial trust. In contrast, managers with little social sensitivity or thought for the welfare for employees engender mistrust and lower levels of commitment (Thornhill et al. 2000).

That employees will behave predictably and stoically cannot be relied upon. There can be militant and dramatic responses to the announcement of closure, based on previous history and levels of trust between employee and management populations. For instance, a 103 day sit-in by employees occurred following an announcement to close a UK site of US-based Caterpillar Corporation. As a further example, at a JVC plant in France, five directors were held hostage for a day following the announcement that the site was to close (McDermot 1989).

A widely accepted definition of trust is '*the psychological state comprising the intention to accept vulnerability based on the positive intentions and behaviours of another*' (Rousseau et al. 1998). The factors of benevolence, management ability and integrity are considered critical determinants in establishing a framework of trust (Mayer and Davis 1995). The dynamic of the trustee-trustor relationship is structured around the concept of trustworthiness, the propensity to trust and the actual manifestation of trusting behaviour (Dietz et al. 2010). In the context of site closure, the propensity to trust will be naturally predicated by antecedent experiences in the workplace. In this respect, a veritable see-saw of perceived opportunities resulting from trusting versus the risk of exploitation is evaluated. This is likely to play itself out in the workplace on the basis of historical management actions and contrasted with proposed management actions in the face of the change in question. This is considered a 'trust dilemma' and will be an iterative process of assessment for employees and managers alike, ranging from calculative to spontaneous in terms of approach. It is accepted that engaging in trusting behaviour where it is not reciprocated is potentially costly to those engaging in trusting behaviour (Bacharach and Gaubetta 2001).

The drive to detect relative trustworthiness in such highly charged scenarios is likely to result in discriminating behaviours. Social uncertainty is a factor that embraces the reality that we can never know for certain the motives of another. As such, trust building can be considered a function of understanding culture and context. (Grannovetter 1985, cited in Saunders et al. 2010).

Another aspect of change to consider is that of the hierarchal structure and its relationship with surveillance. A shutdown can invite company management attention, due to the perceived quality and supply risks. This management attention

could be interpreted as distrust of the employees and local management. This is articulated by Akerlof (1982), whereby the 'partial gift exchange' of relaxed surveillance by management is rewarded by higher levels of discretionary effort. The threats implied by both parties are the stepping up of levels of monitoring on the part of management whilst less discretionary effort on the part of the employee, for example by 'working to rule'. There are obviously benefits in the form of reduced monitoring for leadership, whilst employees need not contend with managers 'breathing down their necks'. Cooperation and compliance as a reward for such management actions around surveillance have a high degree of relevance in a shutdown scenario.

A distillation of this research leads to some powerful findings that might be applied, to many dimensions of change management, including a facility closure. Philippe & Koehler (2005) isolated specific management actions, which employees recognise and respond to:

- Saying one thing and doing another – failure to follow through on proclamations, promises or other important declarations.
- Changing values in order to get things done – an example being pragmatically stating quality is an important value but decide to ship products that are suspect.
- Randomly changing goals without explaining why – it is a managerial prerogative to change goals to remain agile but explanation is critical to employees impacted.
- Making claims that are not likely to happen – claims perceived by the employees as unreal are very likely to result in the employee noticing the inconsistency and become suspect.
- Taking action that is judged as unfair – actions are viewed from the lens of employee perception and as such may not be based in reality. Actions around rewards and punitive actions are a particularly sensitive area in this respect.
- Treating goals as more important than values – being under pressure can result in managers upping their efforts in goal achievement at the cost of guiding values.
- Not applying the same standard of performance to all employees – applying a 'case by case' model to performance management is in direct conflict to the contingency based leadership model. Applying consistent criteria to all employees is critical and if deviations to this standard occur great efforts should be invested in communicating such differences to employees.

- Failure to demonstrate commitment to organisational values – employees takes notice of managerial actions, which do not align with organisational values.
- Not holding personnel accountable for mistakes – employees appear to resent corrective action by management, however selectively pointing out the mistakes of some employees whilst ignoring others will diminish managerial credibility.
- Failures to provide feedback regarding job performance – employees perceive performance feedback as a significantly important managerial action.

In essence, the study confirms the work of Phillippe & Koehler (2004) which suggests that managers who blindly proceed with their actions and disregard the employee perception of their actions will ultimately suffer negative consequences in the form of low morale, employee commitment and lower levels of engagement. As Hogan & Hogan (1994 p. 97) succinctly put it, *'careers and the organisation may periodically be put at risk by ambitious, selfish, deceitful people who care more about their own advancement than they do the mission of the organisation'*.

Although no specific studies have been located of perceptions of such managerial actions in a facility closure scenario, the research study does explore understanding of this phenomenon, for what is viewed as an existing research gap.

The subject of employee trust of management also surfaces in the research of employee perceptions of management actions. Mayer and Davis (1999) suggest that trust is important in many management contexts, particularly change management, employee relations, negotiation and group processes. Furthermore, there is a view that organisations commonly violate what employees believe to be the employer's obligations, leading to a general erosion of trust.

This built on the sociological approach championed by Lewis and Weigert (1985), which argued that system functioning is a product of the level of trust at a group level and is influenced by how widespread the trust actually is. The definition of trust offered by Mayer et al. (1995 p. 712) as the *'willingness to be vulnerable to actions of another party'* is a powerful way of framing trust between the trustee (to be trusted party) and trustor (trusting party). The study also characterises trust into three parameters – ability, benevolence and integrity. Ability focuses on the capacity to influence, benevolence on the degree that the trustee is understood to want to do good to the trustor when excluding the profit motive, and integrity on the trustee's adherence to a set of principles that the trustor finds acceptable. Research has shown higher levels of performance and lower levels of turnover where staff have higher levels of trust in managers (Schoorman et al. 1996). Such issues will have great relevance in the context of a closing facility but the author has not been able to locate work specifically concentrating on this aspect of change experience.

Butler et al. (2009) cite trust being an important issue in a facility closedown, where there is a risk of breakdown in the employee and management relationship. A case of a 1990's GM assembly plant closure is used as an example where the Plant Manager, conscious of a breakdown in trust, was sure to communicate openly and visibly, often sharing more than top management had approved him to do. This again reinforces the experience of closing facilities 'distancing' themselves from top management (Illes 1996).

It is argued by Mishra et al. (1998) that the employee reaction, whether constructive or destructive, will be predicated by the view of management from a trust and justice perspective. Closely located work exists in the form of employee perceptions of fairness in downsizing processes where survivors remain. Thornhill et al. (2000) explain that survivors' reactions are impacted by acceptance levels in the area of:

- Actual need to downsize.
- Having no reasonable alternative course of action.
- Levels of prior notification provided by management.
- Use of selection criteria and fairness of management decision making.
- The way in which leavers are treated in their period of notice and offered job seeking support.

The research suggests that if there are perceptions that these factors have been considered with fairness and equity, that negative employee responses would be significantly reduced. The applications for a site closure exist in the form of creating the shared need for action, using the prior notification period effectively, handling the phased exit responsibly and supporting impacted employees. Of course, since all employees are impacted in a site closure it is key that such support is offered unilaterally and that criteria for phased exits are applied transparently.

The relative generosity of redundancy and/or severance payments is regarded as a significant determinant of employee negative reactions and requirement for involvement in the redundancy process itself. *"There may even be a sense that employees have exercised some degree of collective control in influencing management to offer relatively generous redundancy terms to avoid particular negative reactions."* (Thornhill et al. 2000, p.258)

2.11.2 Organisational justice theory

An area of relatively recent development in research of employee perceptions has been organisational justice theory. In this respect, the three criteria of organisational justice have been labelled as distributive, procedural and interactional. Distributive justice is focused on the outcomes of actions taken by management, procedural justice is related to the perceptions around the procedures applied, and finally the interactional area zooms in on the actual treatment of employees during the process.

Employee views of fairness of management decisions made, or actions taken, can be judged by these criteria. Distributive justice is outcomes focused and will encompass the tension between the business needs and employees' economic needs – often reconciling the two poses a challenge. In turn, procedural justice concerns itself with the processes applied to make employees redundant, and ultimately how fair this is perceived to be (Brockner and Greenberg 1990). Of particular concern is the treatment of employees during the implementation, particularly in the area of delivering decisions and handling exits with sensitivity. It is clear that outcomes, procedures and employee treatment have as much relevance in a site closure with a fully redundant workforce as one might find in a partially redundant workforce.

The realisation that employees are continuously assessing the ratio of inputs to outcomes within the structure of the psychological contract is an important consideration when encountering changes to the organisational dynamic. This equilibrium can obviously be disturbed by significant structural changes that change the nature of perceived outcomes. The assessment in a stable system consists of comparison of inputs by the employee and received outputs of the organisation with reference to other employees. A perception of inequity would surface where an employee assessment suggested a disproportionate exchange. Such perceptions of unfairness not only impact the aggrieved party, but also those receiving the disproportionate benefit in the form of feelings of guilt. Ultimately it is the integrity of the process of management that suffers in such scenarios from weakening trust, whether it is a scenario of positive or negative inequity. Importantly, it is the occupational group that provides the basis of the referent standards used for comparative purposes, although the use of a related occupational group has also been suggested (Bews & Uys 2002).

The value of communication in developing trusting relationships is emphasised, whether in the format of newsletters, group meetings or face-to-face meetings with management. Absence of such communication tools is regarded as evidence of less trustful employment relations. Closed versus open communication strategies lead to clear indications of the extent to which employees are involved in the process of shaping changes. Value and respect are terms used by employees who interact with senior management in a social sense with regard to changes in the work environment (Saunders et al. 2010).

The encouragement of participation by employees, through roles in decision-making and the manifestation of voice, is seen to be correlated to improved trust in management. The logic of reciprocated communication is suggestive of the enablement of employee influence, which allows actual or perceived process control. It is important the employees not only feel involved, but that they are able to surmise that they are not being deceived by those tasked with making the change. A process regarded as fair leads to cultivating of trust in those executing the change, and in addition in the actual process itself. Critically, procedural justice is regarded as more

enduring than distributive justice, since the former is considered repeatable whilst distributive justice may well relate to a singular, non-repeated event or outcome (Mishra & Sprietzer 1998).

Personal constructs and history are important in setting the context of determining relative trust in the manager-employee relationship. Employees who feel mistrustful are likely to use the outcome of others to judge the comparative fairness of their treatment, whilst employees who describe themselves as trusting also include their previous employment experiences in the 'trust equation' calculation. This difference in referent standards may be key in understanding the starting position for many change initiatives (Thornhill et al. 2000).

The framework of organisational justice theory can therefore be effectively applied to the case under research, due to the high degree of relevance. The theory helps elucidate perceptions of fairness by considering views within the context of distributive, procedural and interactional areas of justice within an organisation. Certainly, there is a suggestion that procedural justice has an important role to play in generating high levels of trust through the fair and equitable application of procedures (Saunders et al. 2010).

In addition, the concept of distributive justice considers the outcomes in a given scenario and the perspective that outcomes are regarded as fair or not. This form of justice is also considered from both the individual and group perspectives. This is relevant in the case under research, since there are financial and other support actors in play within an occupational community. In contrast, procedural justice concerns itself with the procedures and how equitably they are perceived to be carried out (Thornhill et al. 2000). Again, in this, case the same procedures were applied for the exit processes of all employees. The interactional element reflects on the interpersonal treatment and views and feelings associated with such experiences. The interactional aspect is concerned with both the explanations offered for the change, along with the sensitivity and benevolence employed with those impacted. It is suggested that even unpopular decisions may be accepted where employees consider the reasoning to be genuine and sufficiently adequate. The role of line managers in the creation of perceptions of fairness is regarded as instrumental, with acts of benevolence seen as powerful in the engendering of trust. The treatment of employees is closely scrutinised by the occupational group, also on the basis of what is perceived as the moral obligation to do the right thing (Mayer & Davis 1999).

All three areas are explored but the interactional is naturally a central thrust of the investigation into change experiences within the case under research. The area of perception of management actions ultimately translates as the views and feelings of employees toward such actions, and their relative fairness and equity in relation to the areas of distributive, procedural and interactional justice.

2.11.3 Leadership style & organisation

Managing teams to deliver the business objectives whilst the team members are coping with the angst of inevitable job loss requires a considered and balanced approach. The old style of leadership in operation pre-announcement may well no longer be appropriate. The teams are required to be highly dependable and reliable in discharging supply, quality and productivity obligations whilst undergoing a significant personal transition. In an environment of exceptional challenge, groups need to be receptive and well managed whilst leaders need to be competent and resourceful (Klein et al. 2006).

There are a number of approaches that could be taken in such challenging scenarios. Flexible, functional team, shared team and contingent leadership models are all considered relevant in extreme change environments.

In the flexible leadership model the suggestion is that with the right level of social perceptiveness and behavioural flexibility, leaders can become 'socially intelligent' and thereby able to assess the burdens and necessities of the specific management challenge and create the bespoke solution. In this respect, leaders demonstrate high degrees of flexibility in responding to rapidly changing conditions. The drive which emanates from the model is a pragmatism which can '*balance competing demands and reconcile trade-offs among different performance determinants*' (Yukl & Lepsinger 2004 p. 217).

A functional team leadership structure ensures that what is needed to be done is identified and handled for the team. This approach is executed by covering the aspects of monitoring performance, structuring and directing team activities, motivating members, intervening when required and developing the team. The research indicates that focus on such activities helps leaders effectively discharge their duties in extreme change scenarios (Morgenson 2005).

Shared team leadership encapsulates an informal construct whereby multiple members of a given entity may fulfill the functions of leadership, even when a figurehead formally exists. In this framework it is the achievement of group goals that drives team activity in a dynamic and collaborative manner. Transcendence of the singular, designated leader in favour of a combination of several leaders who cooperate to attain goals in the group interest demonstrates a positive relationship with team morale and performance. Although, research in this area is limited it offers a more fluid and self-organizing perspective of leadership in such action oriented change environments. (Pearce & Conger 2003).

Finally, theories of contingent leadership propose that leadership behaviours and outcomes are moderated by situational characteristics. In this respect, characteristics can be articulated in task and/or subordinate terms and the key to leadership success is in matching style appropriately. The approach may therefore be directive in some situations but this would contrasted with a more consultative or

delegative style in other circumstances. Importantly, if leaders consider the organisational goals to be shared by employees, then consultative, consensual and delegative approaches are recommended. The nature of the task at hand, and the make-up of the team being led, require iterative monitoring by the leader so that the style can be adapted and sensitized to the environment (Vroom & Yetton 1973).

2.11.4 Leadership considerations during a closure

Business restructuring, which may include site closures, will continue to gather pace as a result of an increasingly global and competitive economy, since businesses need to reorientate themselves and innovate to survive, but also to recreate a competitive advantage. That the skills to close a business unit or a site are desirable is a central theme of this thesis. It is argued that closing a site offers a distinct set of challenges and is not 'business as usual', since although the ongoing business output is still required, an effort must be made to terminate, reallocate or transfer resources, to align with closure objectives. This requires the development and execution of an 'ending competence' (Teece and Pisano 1994).

However, there is very little research that explores the leadership competencies required to close businesses and sites. An important consideration in such scenarios is the careful closure of the social and structural bonds created within the ongoing enterprise. Doing this well is important for a disruption-free closure and also to ensure that supplier and customer relationships remain intact after the closure. As the closure event is viewed by stakeholders from afar, there is a possibility that a poorly managed closure might result in an adjustment of commitments to the restructuring firm. One plant leader has commented that '*a local plant closedown impacts every stakeholder and needs to be meticulously planned to ensure all actions are consistent and timely*' (Havila & Medilin 2012 p. 417).

As staff come to terms with the disappearance of job security, there are expectations that morale will be impacted negatively. On initial announcement, as employees make sense of the news, there are experiences of plant productivity dropping but that need not be the start of a continuing and irreversible decline (Christ-Martin 2014).

There are many considerations during a closure that include suppliers, customers, regulators and the employment community. Handling an exit well can be a function of experience of management and as such, knowledge of the existing leadership competence should be developed. Once established, this competence can be used to develop exit strategies that secure supplier reliability and lower levels of customer anxiety around potential supply impact. Initially the focus of such management teams is an internal one, with an eye toward the identification of critical talent required to mitigate supplier risks and manage any customer concerns following the closure announcement (Alajoutsijarvivik et al. 2000).

The leadership approach to employee welfare is considered instrumental to the performance of the plant with respect to product or service delivery. Understanding the expectations of employees and articulating the commitments of operational and upper management is key to establishing a platform of transparency. It is suggested that employees without a clear view of 'next steps' in such scenarios are likely to demonstrate a decline in performance (Turner 1999).

Leadership approach examined during the closure of a Japanese car plant in Australia led to the conceptualization of strategy as follows (Havila & Medlin 2012 p 420):

- *Ending and closure experiences to be leveraged since in the case this was limited to a few leaders.*
- *Clear understanding of the commitments to suppliers, customers and employees with incentives to retain critical employees, support strategies for the wider workforce, respect for suppliers in honouring long term agreements and clear communication plans for customers with a focus on avoiding disruptive experiences.*
- *Understanding of the interdependencies, by taking the wider view of business relationships with suppliers and customers. Also taking a longer-term view of employee contribution by identification of talent that should be retained to run the restructured business.*
- *Announcement timing to be managed in a balanced and considerate way. The case identified the pre-decision, decision and post decision phases as areas for management consideration, with the pre-decision phase posing the most significant challenge with respect to sharing the potential of closure, prior to the actual decision being made. Management did not want to appear too pessimistic or, by contrast, too optimistic.*

The case explains the senior management decision to provide additional capital funds to help close the plant, which was well received. In addition, the differences in perspective of operational management versus senior management are raised. Ultimately the vision of the closure's completion was to be termed a 'celebration of enterprise', as opposed to a cessation of activities. This was a vision crafted by the operational management, in an effort to recognise the extent of the workforce's previous contribution, rather than purely focusing on the decision taken to close (Havila & Medlin 2012).

The concept of a servant leadership approach has been offered as an evolution toward a more communicative, connected and ethical way of inspiring and engaging the workforce (Greenleaf 2012): *'The servant-leader is servant first...it begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead...the difference manifests itself in the care taken by the*

servant – first to make sure that other people’s highest priority needs are being served. The best test, and the most difficult to administer, is; do those served grow as persons? Do they while being served become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And what is the effect on the least privileged in society; will they benefit or, at least, not be further deprived?’ (Greenleaf 1996, pp.1-2).

As such, the concept of servant leadership has been seen by the author as highly relevant in the context of a site closure. Staff deprived of a relatively secure future need not be deprived further with an inappropriate approach to leading a plant closure. Wong (2007) suggests that the servant leadership model is very much focused on future outcomes for the served. The process of this leadership approach is forward-oriented and based around development of people and their future. It is suggested that the servant method and practice has social, emotional and spiritual dimensions for both the servant and served. There is evidence too, that the servant mind-set leads to positive workplaces (Wong 2002). Furthermore, it is considered that workplaces described as servant oriented have higher staff retention rates than comparable employers (Liden et al. 2008).

In the case studied, the approach is articulated as one that puts the employees first by creating plans for staff that are independent of performance reviews. In a unionized environment, the strategy developed was to separate hourly and salaried workers, since the levels of motivation and hence retention risk were considered different on the basis of contractual arrangements. Then, hourly workers were offered a ‘buy out’ and were replaced by staff joining with different expectations due to knowledge of the closure plan. Efforts were then made by management to understand the employee requirements, which fell into the following areas:

- Training and development support.
- Financial planning.
- Managing personal change.
- Résumé and job search skills.

For the plant under review the results were wholly satisfactory with respect to safety statistics, quality rates, delivery targets and profit targets. It is suggested the servant leadership approach played a significant role in the engagement of employees during the closure and the subsequent plant performance (Christ-Martin 2014).

2.12 Conclusion

After reviewing the literature, particularly the area of facility, site or organization closure, the the author confirmed that the extant literature is sparse, as articulated by Butler et al. (2009) and ‘not significant’ as argued by Raturi et al. (2009). In particular, knowledge of the employee perceptions of management actions in the

context of a shutdown is effectively non-existent. As studies look at the business outcomes during a shutdown, it would seem the experiences of change of the site community of employees and managers have not received adequate attention. In addition, discussion of the application of change management models to such events is hard to come by within current literature (Butler et al. 2009). It is accepted that the fact that such facility closures occur across a wide range of industries, and are relatively common events, may mean that generic change strategies are generally applied without adaptation.

A closedown presents itself with different dimensions for consideration, and the differences to alternative organizational changes can be explained in the respect that the event is terminal and the term 'organisational death' has been used to describe plant closures (Sutton 1983, 1987). There are no 'shades of grey' in this type of activity and although there is much evidence to show facilities are closing with unnerving frequency there is little in the form of focused research into the experiences of those at closing plants (Raturi et al. 2009). Closing a facility has potential perils for all the stakeholders concerned – staff, management, ownership, customers (medical patients requiring critical medical products in the case researched), the business community and regulators.

On the other hand, completing the task of facility closure successfully has upsides for management, employees and other stakeholders. In this respect, it is a little disconcerting that there is not significantly more research in the respect of employee and management experiences in the area of plant shutdown (Butler et al. 2009). However, it is understandable that organisations are uncomfortable with management research at such vulnerable times. It is clear that this research would not have been approved by senior management if it had not been for the author's position within the site structure. Access to closing plants, therefore, can be regarded as limited and although there may be access in the form of quantitative research, aimed at explaining why plants were selected in hindsight, actual experiences of the plant community have limited coverage (Massey & Meegan 1982, McDermot 1989, Richbell & Watt 2000). Importantly from a company perspective, it would seem a closure experience and process is categorized as a routine corporate change and although one can see the merit of such a stance, the author believes there is great value for the organization to understand this type of change in a richer, more meaningful context.

On reflection, rather than a congested field of high quality literature there, is certainly room for further work and contemporary research that has moved with the times. The literature review has presented the author with a rich context from which to develop the study, covering employee and manager experiences, perceptions of management actions and the development of change management models. It has become apparent that the GE CAP model has a prestigious academic heritage but is nonetheless twenty years old without development and has spawned no variants or incorporated innovations of any type (Garvin 2000). It is also clearly in the planned

genre of models which have critics as well as advocates (Tondem 2005). What is certain is that not only has the pace of change accelerated, but in a diverse world the number of change management models has proliferated too.

The review has demonstrated that while there is a substantial volume of research in the area of downsizing and restructuring management, in contrast there is sparse research on actual plant closure management, summarised as 'nothing significant' by Raturi et al. (2009) and 'almost none' by Butler et al. (2009). One exception is that valuable research has emerged on the 'productivity paradox' (Bergman & Wigblad 1999) or 'closedown effect' (Hansson & Wigblad 2006) as an outcome of facility closure where productivity is improved by a combination of factors, including looser management control, a sense of injustice in being chosen at all and the vain hope of facility survival. This has been built upon in an exploration of employee motivations during a plant closure, where Hasanen (2010) suggests that perceived injustice at selection leads to a community galvanised in a 'let's show them' mind-set. It is also a contention of the study that, despite closedowns being common occurrences in the contemporary business environment, astonishingly little is known about them. Further closure studies have provided a narrative of events (Illes 1996), reviewed the wider societal impacts (Perucci et al. 1988) and explored the application of lean techniques in a closing plant (Kongsbak 2010).

The literature review revealed a number of models and theoretical constructs, which were considered appropriate to include in the formation of a conceptual framework, designed to set boundaries and provide focus areas for exploratory investigation. In particular, the work concerning plant closure practices, redundancy experiences and change management provided a conceptual foundation from which a focus could be clarified for data collection and investigation. Although the industry context has been discussed, this has been regarded as less relevant for the evolution of a study focused on employment community experiences of change following the closure announcement, which was no doubt driven by pharmaceutical industry developments. This extends to plant selection work which again is of contextual value but not core to the community experiences that have been investigated (Altaran 2007, Stafford 1991). In addition, the work on redundancy survivors (Thornhill et al. 2000, Shaw and Barret-Power 1997) although insightful in terms of employee response is regarded as less relevant due the contrast with the 'organisational death' proposition of the study subject, in that the whole site community is impacted. Furthermore, longer term mental and physical health impacts on those experiencing a site closure (Schroder 2013), or local community impacts (Bergman & Wigblad 1999) have not been taken forward due to the time boundaries of the study but do provide an additional signpost for further study of the particular case. Certainly, the author would be curious as to the well-being and relative career success of those that left the site for new ventures in December 2013.

At the individual level of both employee and managers, the response to the change has been explored. The focus has been the relative perception by the employee of

'psychological safety' and control during transition, with environmental factors being key determinants (Schein & Bennis 1965, Greenhalgh & Rosenblatt 1984). Furthermore, the profundity of the differentiation between change and transition has been incorporated, since the aspect of loss of not only a job but income, relationships, familiarity of environment, status and belonging has evolved as a fundamental component of the exit from the organisation (Bridges 1991, Herrera 2005). The impact of job loss differs according to individual circumstances and the extent to which it is considered a 'life anchor', but this impact at a personal level is a key area that has been explored with respondents on exit (Doherty 1993, Applebaum et al. 1999, Gush et al. 2015).

The stress preceding a plant closure was surveyed and the review concludes that employees may interpret signals such as visible corporate attention, downsizing events and transfer of work as a prelude to eventual shutdown, termed the 'shadow of death' (Fuchs & Wyeh 2014, Schwerdt 2011) and also considered under-researched (Galazter-Levy & Bonanno 2010, Raturi 2009). The approach that management take when divulging information is fundamental, for instance whether the announcement is considered a surprise or not will determine actual levels of managerial trust (Applebaum & Donia 2000). Aspects that were offered in the case under study and contribute to a socially responsible closure include advance notice, generous severance pay, intra-company transfers, retraining, educational programs and early retirement opportunities (Rydell & Wigblad 2012). The management positioning of such support in exchange for employee cooperation is a fundamental principle to examine (Hansson and Wigblad 2006, Herrera 2005). The emergence of the criticality of trust in management during a shutdown environment has been discussed, along with the maintenance of pre-announcement work standards and frequent communication (Mishra et al. 1998), and this fundamental area of manager-employee dynamic evaluated.

The permanence of a plant closure is suggested as an additional motivation to an employee to find alternative work in comparison to the situation of partial redundancy, where there can be some ambivalence around a potential return – a distinction that is regarded as important on exit (Jolkonen & Virtanen 2014). The characteristics of leavers following the announcement have been characterised as skilled, professionally educated, younger males (Schwerdt 2007, Fackler 2012). However, this is considered less relevant in the study case, as the site only experience one leaver after the announcement. The phasing of layoffs during the closure has been categorised with temporary workers, older workers exploiting early retirement and less productive workers going first (Jolkonen et al. 2014) and replacements for displaced workers being of lower quality (Brown & Matsu 2012).

The review of relative skill levels of those remaining towards the final closure has some contradictory research in the form of more skilled (Fackler 2012) and less skilled (Schwerdt 2011, Lengerman 2002). An area that is examined with the respondents is the concept of 'instrumental collaboration', the heralding of a new

'informal contract' between management employees following the closure announcement (Schwerdt 2007). This concept is extended to the closedown environment, encouraging informal leadership (Sutton 1987), suggestions of diminishing management control (Hanson & Wigblad 2006) and the growth of informality and operating space (Bergman and Wigblad 1999). The role and effectiveness of management setting high goals for productivity has been studied (Hasanen et al. 2011). The emergence of a different set of personal goals for employees around their careers after closure has been announced has been proposed (Spiller 2000). The development of a 'distancing' of the site community to the parent organisation and galvanisation of community spirit has also been noted (Illes 1996, Mishra et al. 1998).

That a closure goes through identifiable stages from a pre-announcement period to final exit and plant decommissioning, with positive and negative grieving phases, has been explained by a number of authors (Hasanen 2010, Illes 1996). The four phases have been categorised as normal operations, pre-notice period, advance-notice period/negotiation period, countdown period and end of operations (Hasanen 2010). Other shutdown phasings have been articulated as PNP (Pre Notice Period), AP (Awareness Period) IP (Investigation Period), ANP (After Notice Period), NP (Negotiation Period) and CP (Closedown Period) (Rydell and Wigblad 2012).

Through the data coding, the author has been able to segment the employees into four distinct groups on the basis of post-exit intentions. Although no evidence of such segmentation has been discovered during the literature review there is work on employee mobility following job loss, with emphasis on development of 'general skills' to be marketable (Holm 2014). In a wider sense, it is accepted there is a difference between the transition, which is psychological, and the change which is situational. This differentiation is profound in that it allows for the definition of loss at the psychological level which has high relevance is loss of job and community (Bridges 2001).

Relevance is accorded to the shutdown productivity studies, in that the dynamics of a closure environment and community response have been investigated. Expectations of absenteeism and lower engagement tend to increase (Cascio 1993, Kongsbak 2010) but these were contrasted with actual improvements in productivity, higher levels of engagement (Hasanen 2010) and achievement of stretching productivity goals (Hasanen et al. 2011).

The author has been able to locate very few studies which explore the actual lived experiences of employees in environment of a plant closure. The psychological well-being of employees in a closure setting has been explored with the conclusion that communication, generosity of severance packages and individual levels of employability demonstrate strong associations with well-being (Stengard et al. 2014). On balance, however, it has been suggested that the feelings of victims of shutdown events have been predominantly overlooked. The managerial experiences embrace

both intrinsic journeys toward redundancy and then also the extrinsic tasks associated with managing a change like a closure, which requires leadership skill (Rydell and Wigblad 2012). This leadership competence manifests itself in the delivery of three types of support for the employees in practical, emotional and informational dimensions. Delivery of this type of support is often expected without adequate training (Doherty 1993) despite the criticality of the role of management in restructuring execution (Greenhalgh et al. 1988). Facing their own insecurity in the midst of executing the organisation's decisions is source of anxiety for many managers (Hallier & Lyon 2005). The concerns associated with implementing redundancy actions can be calibrated somewhat by the degree of control, considered higher where redundancies are higher with outplacement support (Greenhalgh et al. 1998). It is proposed that where generous severance payments are concerned, employees are willing to cede control and influence to management for sizable compensatory payments (Thornhill et al. 2000).

The managers' individual experience of redundancy, as opposed to redundancy through closure, has been investigated, with the suggestion that many can use such a critical event for a life reassessment. Many used redundancy as opportunity to lead a more balanced life and find more meaningful work with higher job security (deJanasz & Kenworthy 2012). In a personal sense, managers did report feelings of self-doubt regarding their futures (Molinsky and Margolis 2006), cynicism about the organisation and acceptance regarding the likelihood of reducing management roles in the external environment (Thomas & Dunkerly 1999). There is little current evidence of the emergence of a 'servant leadership' approach in closedown scenarios, although the philosophy is one of 'forward thinking' with a focus on employee needs' with social, emotional and spiritual dimensions (Wong 2007) and fostering an environment of high staff retention (Liden et al. 2008).

The area of employee perception of management actions in a closedown is a key thread of enquiry. The literature is scant but there have been some studies into employee perceptions of their own well-being in the midst of an closedown environment. As previously stated, the key findings are that communication, generous severance and employees' own view of their employability associate strongly with employee well-being (Stengard et al. 2014). In a broader sense, beyond a closedown, the employee perception of management actions has been investigated in that such actions are regarded as having a strong influence on the perceptions and ultimate behaviours of employees. As such, trust in management can be fostered if leadership is considered consistent with respect to values, competent in explanation, fair and equitable in application, committed personally to organisational values and timely in feedback (Philippe & Koehler 2005).

Insensitive application and bulldozing of management initiatives can create distrust, low morale, low commitment and low levels of engagement (Hogan et al 1994). The area of trust has materialised as key to management within a site shutdown (Butler et 2009) but also in the wider field of change management (Mayer and Davis 1999).

The articulation of the concept of trust is usefully captured in the phrase 'the willingness to be vulnerable to the actions of another party' and analysed into the areas of ability, benevolence and integrity by Mayer et al. (1985). The pervasiveness of trust is considered to have a strong association to the overall functioning at a group level (Lewis and Weigert 1985). In a shutdown in particular, it is argued that the employees impacted must believe that the need to close is credible and that no alternative actions are reasonable to engender a platform of trustworthiness (Mishra et al. 1998). As with all redundancy situations, with reasonable advance notification, the employees focus on selection criteria and support provided in job seeking. Employees are looking for the tenets of fairness and equity throughout redundancy execution (Thornhill et al. 2000). What seems fair to surmise is that a closedown can lead to high levels of management advocacy on the basis of trust (Butler et al. 2009) but if handled poorly can lead in extreme cases to conflict and even violence (McDermot 1989). To conclude, there is agreement that trust is a key resource in a closure context but there is very little supporting empirical research. For these reasons, trust has been made one focus of this study.

The development of a model of change management that can be applied to a shutdown scenario has been a goal of the study. Certain models have been offered by those who have experienced the challenges of a shutdown, with a lament at the absence of such a model. The structure offered following a GM plant closure considered the primary areas of focus to be corporate name, communications, closure management, investment in employees and continuity of operations (Butler et al. 2009). Within GE, a generic change management model, known as the change acceleration process, was ostensibly used at company direction. This involves planned steps which encompass leadership, shared need, vision, commitment, sustaining and monitoring. A generic model, it is a change process that has lineage to the planned genre of models. It was commissioned by the famed GE CEO Jack Welch to provide a structure for the large-scale and wide-reaching changes of the 1980's (Garvin 2000).

Most reviews of the evolution of change management models would with some justification begin with the seminal work of Lewin (1947). The planned change paradigm introduced by Lewin has an impressive record of development, following the presentation of force field analysis, the Lewin Equation and the three-stage change management model following study in the fields of group decision making and social change (Lewin 1936, 1947, 1958). Developments have encompassed the inclusion of change agents (Lippert et al. 1958), feedback loops (Huse 1980) and integration (Bullock & Batten 1985). Subsequently the need for 'sense of urgency' and a 'guiding coalition' has been incorporated by Kotter (Kotter 1996). As such, there remains a significant level of support for the planned genre of models by practitioners and academics (Bamford and Forester 2003, Burnes 2004).

It is considered that the emergent genre of models can be more sensitive to the complexity of organisational change in modernity (Wilson 1992, Dawson 1994). The

philosophy contends that change management is ostensibly reactive and change scenarios unfold, hence a fluid and dynamic approach needs to be considered with expectation of 'bottom up' energy in change (Dawson 1994). The cyclical and continuous nature of change is captured in the change wheel (Prochaska & DiClemente 1982), the transition model (Beckhard & Harris 1987), the 'ten commandments' (Kanter 1992) and the congruence model (Nadler & Tushman 1997). The latter authors propose the metaphor of an infant's mobile toy, with elements of work, people, formal organisation and informal organisations always in play and change requiring attention to all areas. This theme of balancing is developed further by the need to understand the external environment and ensure that emergent responses are sensitive to context (McCalman & Paton 1992). The argument that such an approach need not be haphazard or undefined is further advanced with work on organisational evolution and adaptive strategies (Haye 2007).

An additional play on the emergent theme is that of the contingency model, whereby an organisation takes a situational approach to managing the change (Dunphy and Stace 1993). This ostensibly empowers the organisation, since it has a choice of response and should strive to achieve 'optimum fit' (Tondem 2005). The reactive philosophy is emphasised by the guidance to *'let change happen and to be pulled by concerns out there and not in here'*, understanding the complexities of the change and developing a mind-set which allows constant redefinition of actions (Fullan 2001, p.33).

It can be surmised that there is plentiful literature in certain areas of organizational change management, but as Tondem (2005) argues, there is a range of sometimes contradictory and confusing approaches available to academics and practitioners alike. Other commentators, such as Doyle (2002), raise the concern that much practice and theory is based on unchallenged assumptions. It might be suggested that with the urgent need for organizations to 'up their game' in the face of unprecedented change, the superficial analyses that Gumares and Armstrong (1998) suggest litter the field have been consumed by organizations with an insatiable appetite for magical change management formulae. Tondem (2005) suggests that whilst there is an ever-growing field of generic literature focussing on the importance of change and approaches to it, very little empirical evidence is provided to support the theories and practices espoused.

Gaining access to an unfolding plant shutdown, something that most companies would not normally allow (Butler et al. 2009), has provided an enviable research opportunity for the author. This access has productively utilised to explore a number of research gaps that have been revealed by the literature review. The primary research aim of developing a better understanding of employee and manager experiences and actions during closure has been achieved. It is hoped that this new knowledge may contribute to the better management of these critical events in the future.

Chapter 3: Research Methods & Methodology

3.1 Introduction

At the outset of the following chapter, the research purpose and context are acknowledged, as are their implications for the research design. The philosophical issues underlying the research are then discussed, including the research paradigm, ontological and epistemological issues and their implications for methodology and methods. The methodology adopted and methods selected are justified within the context of research aim and the adopted philosophical perspectives. The sampling strategy is explained in detail, as are the data collection techniques and the process of data analysis. The ethical issues raised by the research context are considered, with the appropriate measures to ensure ethical compliance explained. The research purpose is detailed and contrasted with applied methodologies in existing closure research. Finally, the research design is evaluated in terms of study trustworthiness, applying the concepts of transferability, dependability and confirmability, and according to Yin's (2014) criteria for evaluation of case study research.

3.2 Research Context and Purpose

3.2.1 Research context

The research is an exploration of the experience of employees and managers during a facility closure from announcement to final exit. A site closure is a complex management undertaking and the aim has been to generate rich insights from the employed population concerning the experiences of working in or leading the closedown of the site. The research context is the Gloucester site of GE Healthcare, where the author was employed as Site Director. The decision to close the facility provided the opportunity to explore employee and manager experiences of change in a plant closure environment. This context was selected since the author had unique access to the facility and its personnel. It is one of approximately 70 facilities in the UK, employing 17,000 UK personnel in total, all operating within a tight US-originated managerial framework.

3.2.2 Research purpose

Following an extensive and on-going review of the literature, the author has concluded that this is an under-researched area. Butler (2009) has suggested that 'nothing significant' has been created in the area of facility closure experiences. Tondem (2005) concludes that the change management literature provides contradictory and often confusing approaches, offering little in the way of praxis.

This knowledge gap has provided the predominant motivation for the study. The author has set out to explore the context of organisational death with the aims of adding to both theoretical knowledge and professional practice. The fact that the

author was an integral part of the closure experience provided a compelling motivation to engage with the research and derive additional value from a personal professional experience.

3.2.3 Other studies of facility closure

In the course of the literature review, a small number of prior studies of plant closure were identified. As a first step in considering methodological issues, it is useful to reflect on the methodologies employed in these studies. This body of literature is summarised in Table 1.

Author (Date)	Title; Research Approach	Context	Methodology
Carroll 1985	Brown & William Tobacco Corp.	US processing plant with three year notice period.	Case study: single case study.
Perrucci et al (1988)	Plant Closings – International Context & Social Costs.	Inductive approach with some attempt to generalise and raise the profile of human and social costs of plant closings.	Case study: single case study on one business at a single site.
Illes (1996)	Sizing Down – Chronicle of a Plant Closing.	HR Managers journal of events to assist those faced with similar challenges - a description of the experience.	Case study: broadly narrative, a description of events in a chronological framework at a single site.
Cassio 2002	Philips Electronics.	Semi-conductor plant with a two year notice period.	Case study: single case study.
Herrera (2005)	Plant Closure Demystified.	US bias and heavily mired in specific US legislation surrounding	Case study: single case study at one site.

		closure notification	
Hansson & Wigblad (2006)	Cutting the String of Control: managerial retreat during plant closures.	An exploration of the 'closedown effect' with the intention of isolating the actors within this phenomenon.	Case study: multiple cases in a study of Swedish firms.
Hasanen et al (2010)	Goal Setting & Closedown: When bad things turn good.	An examination of the validity of goal setting theory in the adversarial setting of a closedown.	Case study: single case, longitudinal design.
Carroll & Buckholtz 2011	Whirlpool US.	Manufacturing plant in US with one year notice period.	Case study: single case.
Hasanen (2011)	Organizational Death & Employee Motivation.	Investigation of the motivational aspects of working during an organisational death and an examination of discretionary effort.	Case study: single case study in a multi-plant company.

Table 1: Research approaches in the literature of closedown

The above table summarises the extant research on closure and shows the broad research design of each study. It is notable that all of the studies use a case study design, and the single case study is the most common. The difficulty of access to multiple plant closures is a clear consideration for sponsoring organisations as they seek to protect vulnerable populations of employees facing redundancy. Across the studies, there is some variation in notice period, largely predicated by the industry type and factoring of supply chain and regulatory drivers.

Hansson & Wigblad (2006) used a multiple site case study around closedown of manufacturing facilities to explore the impacts of such closure activity. It was in the conclusion to these case studies that they coined the term 'closedown effect' which they posited was systematic and generalizable. The closedown effect is a relative improvement in productivity and morale and appeared consistently in the cases used for the research during the countdown to closure. The authors suggest that three drivers are responsible for the counterintuitive upturn in productivity and morale. Firstly, the loosening of managerial control, secondly, a result of the 'hurt pride' instinct and finally, the motivation to prove that the decision is an incorrect one and harbouring an 'eternal hope'.

The research by Hasanen et al (2011) into the practice of goal setting in plant closure also utilised the case study format. A single case and a longitudinal design with two data points were used, a year apart to analyse the impact of goals within the closure dynamic. In this single case the authors argue that goal setting itself was effective but contend that an individual level the closure milestone becomes a sub-goal as new career goals are adopted.

It is argued by Robson (1999) that case study is a strategy for undertaking research that involves an empirical investigation of a particular contemporary phenomenon within its real life context by using multiple sources of evidence. Saunders et al. (2003) argue that the case study approach is useful if there is a requirement to gain a rich understanding of the context of the research and the processes being enacted. It is a rich understanding that the author wishes to generate here, to get under the skin and examine the flesh, tendon and ligaments of this change. The author believes that the single case study is a sound premise with which to research the phenomena and this is supported by table 1.

3.2.4 A framework for the research design challenge

To encapsulate the research design process, the author has used a schematic based on the work of Saunders et al. (2003) to illustrate the high level design of the study when considering the phenomena under review and the ontological challenges faced (Figure 17). The research questions drive deep into the areas of individual experiences of change, change management strategies and leadership approach during an organisational death. Although research output of significant value can be derived from a study of the site closure, the challenges of data with dimensions of social construction on the part of both interviewee and interviewer need to be appropriately discussed.

The conceptual framework shown in Figure 17 illustrates the iterative cycle of considerations that inform the research design. Starting at the 12 o'clock position, the cycle embraces the phenomena that form the focus of the study, the ontological position of the researcher with respect to these phenomena, epistemological issues

and the researcher’s perspective, the choice of broad research design and the more detailed issues of data collection.

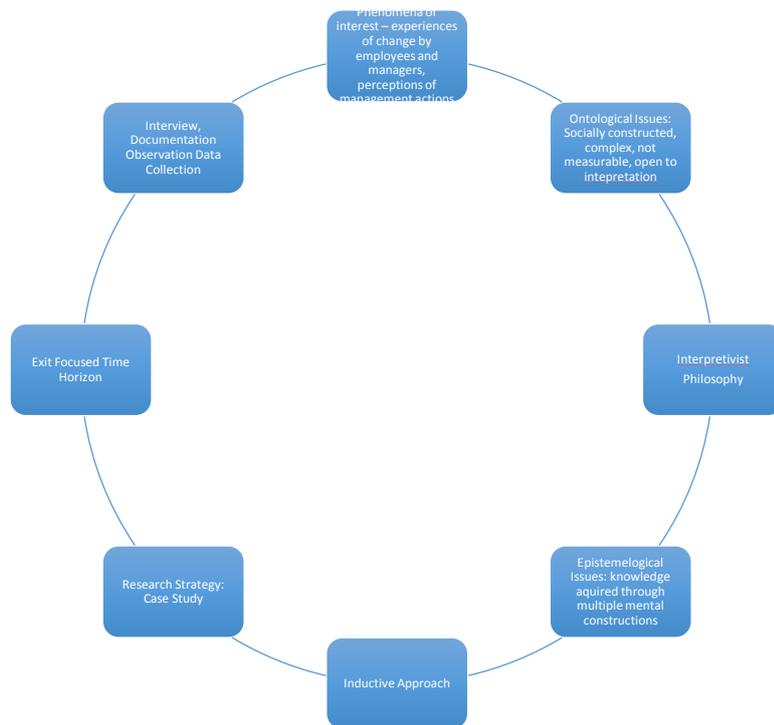


Figure 17: The Research Paradigm: Researching Site Closure Management

(Source: author)

The conceptual framework offers a summary of the research choices taken on the basis of the phenomena under review, evaluation of the ontological challenges, understanding of the epistemological issues, selected research strategy, considered time horizon and ultimate data collection.

3.2.5 Research methodology texts used to inform approach

Execution of the research strategies articulated in the thesis occurred in the period 2011-2013 and therefore the research texts cited are often editions prior to this period, since those are the actual texts used inform the research methodology used for the study.

3.3 Philosophical Issues underlying the research

The researcher has encapsulated the research paradigm using the conceptual framework shown in Figure 17. The diagram illustrates the considerations of philosophical and research design issues and ultimately informs the reader as to the choices made, which are discussed in further detail below.

3.3.1 The research focus and context

The author argues that the philosophical perspective taken must reflect considerations of previous research undertaken, professional guidance, individual experience and the dynamic of the research subject itself. However, it is from a position of understanding the phenomena under review that is starting point for the build of a research design. The phenomena under review are the experiences of change of employees at a closing plant combined with an examination of change management strategies in the context of a site shutdown. In addition, the leadership approach at the plant during closedown is to be considered an explored. This study therefore, needs to capture the thoughts, feelings, interpretations and perceptions of staff at this closing facility in relation to change and management actions.

There is clear direction from the source of, the research objectives, which are;

- Understand in what ways change is experienced by employees and managers during a facility closure.
- Discover the ways in which change management models might be applied by the management team during a facility closure.
- Explore the ways in which leadership approach might impact the management of a facility closure.
- Contribute to a richer understanding of facility closure as an organisational change process.

Given these objectives, the author's intent was to explore the feelings, perceptions and interpretations of those who had worked through the facility closure. In such a scenario, it is suggested that multiple realities exist within the population and hence the research builds from this position. It is proposed that the context being studied is inherently complex, multi-layered and socially constructed.

3.3.2 Ontological considerations

Ontology is concerned with the nature of reality. The ontological perspective of a researcher is a function of their worldview and fundamental belief order and this provides direction for research design choices (Guba and Lincoln 1994). From the author's perspective, at one extreme phenomena may be considered to be singular and external to the knower and at the other constructed by the knower, so that multiple and differing 'realities' may exist. The former stance is termed a realist or objectivist perspective whilst the latter is termed a relativist, subjectivist or constructionist one. These two different philosophical stances can ultimately be bridged by the pragmatist view that reality exists but cannot be known directly.

Realism is often referred to as the traditional ontological position of natural scientists, assuming phenomena to be concrete, consistent and unconnected to them. Given

this worldview, phenomena have an existence that is independent from the human mind and its interrogation (Moses & Knutsen, 2012).

In contrast, a researcher with a relativist ontological perspective cannot make these assumptions. According to Guba and Lincoln (1994, p. 110), 'relativism is the view that reality is subjective and differs from person to person'. Given this perspective, objective and universal truths cannot exist, as reality must be considered as relative to the individual observer or researcher. Relativists therefore do not believe phenomena to be observable in a value-free manner. Instead, reality is always contextual, meaning that multiple realities exist which depend on individual viewpoints (Killam, 2013).

The event under study is unique in that it is a function of a specific population and set of circumstances (Saunders et al, 2003). The phenomena that are the focus of this research are considered by the author to be ultimately socially constructed and to reflect multiple realities. They are likely to be diverse and perhaps unique to the individual employee. Perceptions, feelings and interpretations may not have been articulated and exist only at the tacit level. Moreover, rather than being stable, they are likely to be subject to change during the research.

Within this context, the researcher's challenge will be to delve into the meanings attributed to personal experiences and thereby gain the insights desired. Whilst a realist/positivist perspective may suggest that an absolute and universalistic research outcome can be achieved, the need to understand human experience in the form of beliefs, feelings and attitudes offers a challenge to the natural science paradigm, particularly in a complex and dynamic research context such as a closing site.

In this case, it is asserted that from an ontological perspective, the interpretivist position is most appropriate for exploring this particular research question, generating the rich understanding desired. As such, it is considered that the social reality articulated as the research output will inevitably be a human construction. There are undoubtedly competing claims and this research paradigm embraces the concept of social construction. This is very much real world research and the magnifying glass of scrutiny must adequately enlarge the research object, the facility closure experience, so that the complex mix of feelings, perceptions and interpretation are adequately surfaced by considering the dimensions of epistemology and methodology. Ensuring the ontological position is appropriately understood has ensured the research paradigm is consistent and congruent.

3.3.3 Epistemological Issues

Epistemology is concerned with how knowledge can be acquired (Crotty 1998). A positivist epistemology is associated with the ontological perspective of realism, whereby phenomena are assumed to be both accessible and independent of the researcher. According to Guba and Lincoln (1994), an ascertainable objective reality

is assumed. The positivist view uses the natural sciences as a model and research focuses on the development of law-like generalisations, arrived at by taking a deductive approach and the testing of an a priori hypothesis. The positivist assumption is that this leads to explanations through the vernacular of verification, correlation and measurement and the adoption of surveys and questionnaires in a management environment. (Easterby et al,1993).

Interpretivist epistemology is linked to social scientific approaches regarding the development of knowledge being closely linked to the ontological position of relativism. The interpretivist premise is that reality is created by individuals in groups (Crotty 1998). Whilst positivism focuses on measuring certain phenomena, interpretivism intends to understand human behaviour grounded in individual perspectives (Easterby-Smith et al., 2012; Grix, 2004).

In this study, the phenomena of interest – employee and manager change experiences, applicability of change models and the impact of leadership approach – are wrapped in layers of multiple views and perceptions. It is expected that multiple mental constructions of the change experience will manifest themselves as a perceived reality within the employment community and this in itself is the object of the research. Since the author has advanced the position that multiple realities exist, the researcher needs to ensure that such mental constructions are accessed through the research process. Such data cannot be measured in an objectivist way and this has meant that the social constructions and inquirer interpretation must be considered in the context of the interpretivist epistemology. Within this paradigm the epistemological convention assumes that the knowledge generated will be a function of the social construction of the knower. It is through interpretation that the implications and significance of the data can be revealed (Crotty 1998).

It also accepted that the multiple and privately held constructions will require interpretation, predominantly by the author, who himself has been an embedded element of the research context. As the inquirer, the author has been an integral part of the phenomena and as such has influenced the creation of the shared reality and this is consistent with the interpretivist approach to research. It is the process of interpretation that has facilitated a deeper understanding of the management actions and events of the site shutdown.

The value of research inquiry is further emphasised by the fact that studies were limited with respect to factory closedown processes to help with recommendations with regard to the approach of leadership in such scenarios. Hasanen (2010) contends that, despite closedowns being common occurrences in the contemporary business environment, astonishingly little is known about them. It is Hasanen (2010) who builds upon the term 'organisational death' where the definition 'the organisation dies when it stops performing those functions we would expect from it'. In addition to this, the definition 'organisational death' occurs when employees are faced with

certainty of job loss due to closedown, which may have been preceded by perceptions of the threat of closure' as offered by Hasanen (2010).

It is accepted that the research questions can only be satisfactorily answered by an appropriately designed research protocol which will effectively collect the data required and apply the tools needed to make sense of the data Yin (2003). However, as Guthrie (2007) contends the research questions themselves do not need to be fully formed at the start of the journey and have been refined as the study progressed. This is consistent with the study's interpretivist epistemology and exploratory purpose.

3.4 Justification of Methodology and Methods

3.4.1 Exploratory qualitative research

Given the complex, multi-layered, socially constructed nature of the phenomena under review, and the exploratory nature of the study, a qualitative approach was considered the most appropriate way of addressing the research questions. The study was exploratory, since the perceptions of employees and managers experiencing change in the context of an organisational death (Hasanen et al 2010) had been subject to very little research but a richer understanding of this phenomena is of potentially significant value. Robson (1999; p. 42) contends that 'exploratory studies are a valuable means of finding out what is happening, to seek new insights; to ask questions and to assess the phenomena in a new light'. The research objectives required that an empathic investigation approach be adopted, since natural language and speech are the data of the research (Silverman 2010).

3.4.2 Action research

Action research was considered as a research approach, since it would have provided a strategic fit with the research problem and also allow for some positively intended intervention, which appealed to the researcher. However, on exploring this possibility with senior executives it was frowned upon, due to the experimental nature of the design. As the author attempted to explain the action research philosophy it became clear that the employing organisation was becoming more uncomfortable with the entire research proposition and as such, to retain the originally agreed access, the case study approach with exit timed interview events was confirmed as acceptable. Although this lack of organisational commitment prevented any progress on the action research front, however there are still validity concerns with the approach such as the requirement to have the appropriate facilitation skills to expertly apply the action research strategy (Gustavsen 2008).

3.4.3 Case study research

A case study is a preferred strategy to answer how and why questions, particularly in environment where the investigator has little control over events and where the focus

is a contemporary phenomenon within some real life context (Yin 2014 p 1). Saunders et al (2003) suggest that one of the strengths of the case study approach is the use of multiple sources and techniques in the data gathering process. In this case the author believes the collection of qualitative data is fundamental in providing the rich context desired for this particular study and capture the voices and lived experience of those impacted through interviews, documentation and observation.

Bryman (2000) suggests that some of the classic studies in organisational research have derived from the detailed investigation of one or two organisations. This was reflected in the analysis of prior studies of plant closure, as discussed in 3.2.3 and summarised in Figure 17. Although no prior studies have been conducted that focus on employee and management perceptions, change management and leadership during facility closures, case studies have been used to analyse other aspects of organisational closures: e.g. Herrera (2005), Perucci et al (1988), Illes (1996), Hasanen et al (2010, 2011), Hanson & Wigblad (2006) and Kongsbak (2010).

Adopting a case study strategy and applying it to this facility closure has allowed perceptions to be articulated and explained through the lens of the displaced worker. This is further supported by Stake (1995) who comments that the case study can be an effective way of gaining an in depth understanding of a particular phenomenon, in this study by capturing the voices of the stakeholders and understanding their perceptions in the midst of this site closure. As Robson (1999) contends a case study is targeted to a limited number of events or conditions and their inter-relationships. The study’s clear definition of the question and research scope allows for clarity of areas of evidence and furthermore helps determine methods of analysis to be used for the study.

3.4.4 Components of case study design

Yin (2014) contends that the components of a case study design and their functions can be arranged into five key areas. Those areas range from the design of the study’s questions and encompass the theoretical propositions, units of analysis, logic of data linkages and finally criteria for interpreting the findings. The author has adopted this structure for the design of this case study.

<p>(2014) Challenge</p>	<p>What are the study’s’ questions – define “how” or “why”</p>
<p>Study Response</p>	<p>With this broad research aim in mind the researcher has articulated the following research questions:</p> <ul style="list-style-type: none"> • RQ1: How is change experienced by employees and managers during a facility closure? • RQ2: How applicable are change management models to

	<p>facility closure scenarios?</p> <ul style="list-style-type: none"> • RQ3: How does leadership approach impact the management of a facility closure?
Yin (2014) Challenge	Study's' (theoretical) propositions – pointing attention, limiting scope, suggesting possible links between phenomena
Study Response	Attention of study is an inductive exploration of employee experiences in a closing plant. Retreat of management, organisational injustice and vain hope mentioned in Hasanen et al. (2010) research into the productivity paradox thesis were explored as drivers for a positive closure experience. Retreat of management was not evident in the case and hence offers a challenge to certain facets of the Hasanen (2010) thesis. The relationship of employee trust in management and perceptions of management actions explored in depth. The impacts of a longer duration closure also explored.
Yin (2014) Challenge	Study's units of analysis – main units must be at the same level as the study questions & typically comparable to those previously studied
Study Response	The study unit of analysis is the GEHC Gloucester site organisation and its employment community. Although research is sparse in this area there are comparable studies in different industries such as Illes (1996) Hanson & Wigblad (2006), Butler et al. (2009) and Hasenen et al. (2011) looking at impacts of closedowns at individual sites.
Yin (2014) Challenge	Logic linking the data to the propositions – matching pieces of information to rival patterns that can be derived from the propositions
Study Response	Data support some elements of the Hasanen (2010) thesis in the 'organisational injustice' driver but finds little support for the vain hope or loosening of managerial control. A rival explanation in that a self serving 'group interest' is nurtured leads to productivity advances. Furthermore, trust in local management is enhanced as a distancing from executive 'off site' leadership evolves. Perceptions of management actions originate from an environment of established trust and positive employee-management interactions before announcement provide a platform for a good

	natured relationship during the closure.
Yin (2014) Challenge	Criteria for interpreting the findings – iteration between propositions and data, matching sufficiently contrasting rival patterns to data; there is no precise way of setting the criteria
Study Response	The criteria for interpreting the findings have been based around capturing responses from employees and managers and therefore comparing and contrasting. Rival propositions have been generated to existing theses being elicited from representatives of functional and hierarchical systems on the site.

Table 2: Case Study Design Principles (Yin, 2014) related to this study

3.5 Sampling

3.5.1 Sampling strategy

Robson (1999) contends that a sampling strategy should embrace considered decisions about:

- Who – which persons are to be observed, interviewed etc.?
- Where – in (or about) which settings are data to be collected?
- When – at what times?
- Which events, activities or processes are to be observed?

The site organisation is considered the unit of analysis; therefore this study has covered the constituent departments and ultimately all people working at the facility. In effect, the source of information for the case study will encompass levels of hierarchy and functional breadth. The data is collected within the confines of the facility under review and at the exit point of employees leaving the company. The author will employ a purposive approach to sampling (Robson 1999), aimed at capturing the diversity of experiences of both employee and management groups and the various site departments. The following dimensions of diversity were identified as relevant and adopted as a basis for sampling:

- Hierarchy (using the GE Management grade)
- Function (using the site organisation chart)
- Length of employment tenure (this variable was expected to have a bearing on the personal experience of the closure process).

A non-probability sample has been used and the sampling frame identified 21 respondents (15 employees and 6 managers) from a total population of 80 staff at the facility (c. 26% of the total). In turn this 75%/25% (15 employees and 6 managers) split reflected the facility demographic in that the facility employs 21 (26%) management grade staff and 60 (74%) employee grade staff. This is designed to ensure the sample is a relatively valid reflection of the diversity and breadth of the study's population and as such is a claim toward sufficiency of sample (Saunders & Townsend 2016). It was important that both the management and employee voices were represented to ensure the research questions around the change experiences and perceptions were captured and understood.

With 1 in 4 of the site population being interviewed, the study can claim a reasonable size of sample, and diversity (see 3.6.2). However, with a case study approach the sample size and proportionality of diversity need not be as critical as with a quantitative study, so that a phenomenon only need appear once to be of value (Robson 1999). The sample size of 21 participants is within the discernible norms for a case study focusing on one organisation, suggested as ranging from 15-30 (Marshall et al 2013) and 15-40 (Saunders & Townsend 2016). However, the author deemed functional representation an important part of the sample frame and therefore each site department is included, as part of the study design.

3.5.2 Sample Profile

In terms of hierarchy the following criteria were embraced and adequately covered;

- Site Management Team (n=2)
- Department Managers (n=4)
- Supervisors\Team Leader (n=3)
- Advanced Technicians (n=4)
- Technicians (n=6)
- Temporary staff (n=2)

The sample profile is illustrated in Table 3, which shows the role and hierarchal level of each interviewee.

Pseudonym	Role	Hierarchical Level
Frances	Employee	Advanced
Tony	Employee	Technical
John	Employee	Technical
Adam	Employee	Advanced
Jeff	Employee	Supervisor
Mervyn	Manager	Department
Sam	Employee	Supervisor
Craig	Employee	Supervisor
Charlie	Employee	Supervisor
Tessa	Employee (Rep)	Technical

Steve	Employee (Rep)	Advanced
Florence	Employee	Advanced
Ali	Employee	Technical
Jim	Manager	Senior
Barry	Manager	Department
Dylan	Manager	Department
Liz	Manager	Senior
Jane	Manager	Department
Sue	Employee	Technical
Mark	Employee	Technical
Dave	Employee	Technical

Table 3: Participant Characteristics: Gloucester Site Closure Case Study

With respect to departmental function, it was important that the author sought experiences and perceptions of the closure from the spectrum of site functions. Each functional area is represented in the following way:

- Finance (n=1)
- HR (n=1)
- Quality Control and Technical Development (n=4)
- Secondary Manufacturing (n=5)
- Primary Manufacturing (n=4)
- Logistics and Planning (n=1)
- Quality Assurance (n=2)
- Engineering (n=2)
- Health, Safety and Security (n=1)

Employment tenure at the facility was considered an important dimension by the author in the respect that most of the workforce had tenure approaching 10 years, and organisational history would have an impact on perceptions of management actions based on the establishment of trust over that period of time. The author has ensured that the sample broadly reflected the average tenure at the facility, although the purpose of the study is not toward any type of generalisation. Table 3 shows alignment of the tenure of the sample with the general site population and a reasonable association of percentage of sample when compared to site population by department.

- Average tenure of site population = 9.2 years (n=80).
- Average tenure of sample = 8.9 years (n=21).

Table 4 provides a comparison of the sample with the site as a whole, in terms of the two characteristics of tenure and departmental representation.

Department	SAMPLE: Average Sample Tenure	SITE: Average Site Tenure	SAMPLE: % Sample by Department	SITE: % Population by Department
HR & Finance	20	15	5	3
Quality & Technical	12	11	14	25
Secondary Manufacturing	6	7	29	29
Primary Manufacturing	11	11	14	19
Planning	8	8	5	1
Quality Assurance	4	5	14	13
Engineering, Safety & Security	13	11	19	11
TOTALS	9	9		

Table 4: Comparison of Sample versus Site by Tenure & Department %

In broad terms the sampling frame has resulted in a good level of proportionality across the sample in the context of hierarchy, departmental coverage and tenure. Managers have been selected on the basis of their relative staff population sizes, thereby ensuring capturing those managers with the most significant influence of executing company actions at the site level. In this respect the three senior managers selected have a 'reach' of 46 employee grade staff, a total of 77% of employee grade staff at the facility. Other departments are covered by manager samples, thereby giving comprehensive coverage of the manager population across departments to enable the 'change experience' and 'perception of leadership approach' queries to be asked of an appropriate audience.

It has been important for the author to unearth a voice of a community and although no claims of generalizability are made, this voice is broadly representative of the community, leaving no corner of the site untouched and there is ability to differentiate between the key management and employee populations. This has been critical in the context of ensuring the validity of data to develop the rich insight that was required in the capturing of both employee and management experiences.

3.5.3 Sample recruitment

The concept of the study was presented at a routine management meeting and employees were invited to raise any concerns through the HR department or their employee representatives. Employees were then invited to be participants of the study via an e-mail invitation from the author. A simple template was adopted which articulated the objective of the study, process of data collection, likely timing and ultimate outcome of the research. All those invited agreed to participate in the study, so there was a 100% acceptance rate.

With respect to selecting staff within the constructed frame of the purposive sample, a random approach was taken to approach individuals within each category, with a potential alternative closest to tenure should the request to participate have been declined. Fortunately, no invitee declined the opportunity to participate in the research project.

The author acknowledges that his position as Site Director may have led to some level of social desirability to participate. To mitigate this effect, the interviews were

held toward the end of the closure cycle, where management influence was at its most diluted. Participants were able to withdraw at any stage and the independence of the study was emphasized throughout.

3.6 Data collection

The following section addresses the alignment of data collection with philosophy, approach, strategy and time horizon.

3.6.1 Data collection techniques

A case study strategy has been selected and it is acknowledged that data collection for such a strategy can be diverse and may include questionnaires, interviews, observation and documentary analysis (Robson 1999). Alternative forms of data collection within a qualitative design include:

- Interviews, in differing formats based around the level of interview structure.
- Focus groups or group interviews.
- Observation.
- Documentary analysis.

Data collection methods in qualitative research generally require direct interaction of the author with the study respondents, either on a one to one basis or alternatively in a group setting. When compared with techniques used in data collection in quantitative studies, these techniques are generally more time-consuming, expensive and demanding of research skills (Easterby-Smith et al 1993). These interactive forms of data collection may be supplemented by documentary analysis and the use of observation, particularly when using case study method (Yin 2014).

3.6.2 Observation

Reasons to engage in observation for data collection are that an initial flavour for the topic can be elicited; it can assist in providing insights into the bigger picture and allows for some differentiation of sub-groups (Robson 1999). There is also the potential of using observation to usefully provide direction for design of the research ahead. The concept of becoming a participant observer, which means the investigator taking part in the event in an effort to be accepted, is a key area of consideration. Such an approach helps with the explaining the social phenomenon under review by finding out how people actually behave in a natural setting. People or the environment can be observed and when the environment is observed, it can provide privileged background information that may inform other dimensions of the study. The techniques used for collecting data through observation involve written descriptions, artefacts, documentation and video recording (Crotty 1998).

In this study, observation was focused around the 'town hall' meetings involving the entire employee community, regarded as a key communication event. ('Town hall' is a company term for plenary meetings of the workforce). These meetings were essentially briefing events for the site closure process, following the announcement. These events provided a valuable opportunity for the observation of the general atmosphere and of concerns raised via the formal employee representatives or during the meetings themselves. During these sessions direct observation was supplemented by recording and note-taking. The author's presence and the research purpose were clearly explained before each session and consent for recording was requested and obtained.

3.6.3 Documentary analysis

Documentation can provide a useful adjunct for interactive data collection and a variety of forms of documentation can be used to provide information which can range from a local paper, notice board information, photos, maps, administrative policies and procedures and even previous research (Robson 1999; Flick 2009). Documentary analysis should be carried out where documents exist that are relevant to the research questions. Forms of qualitative documentary analysis are semiotics, discourse analysis, interpretative analysis and conversation analysis (Cresswell 2003).

For this study, data generated periodically by HR in the form of an eNPS survey (employee net promoter score, an organisational climate survey focusing on employee attitudes) were accessed and analysed. These data, generated on a regular basis by the organisation to assist in its assessment of the general climate, provided useful context. Other site metrics which were also reviewed in order to provide additional context and also a degree of triangulation for the interview data. .

3.6.4 Interviews

Interviewing is not only seen as the most fundamental of all qualitative data collection methods but is also often asserted to be the most effective (Easterby-Smith et al, 2002).

Unstructured interviews are often referred to as 'depth' or 'in-depth' interviews and by nature they have very little structure at all. Such an approach allows the conversation to cover topics comprehensively, since the aim is to discuss limited number of topics, sometimes as few as just one or two. The interview tactic allows the framing of the interview questions based on the interviewees previous response. The structure enables a researcher who wants more about a specific area without there being a preconceived plan or expectation as to how they will deal with the subject area (Yin 2014).

In comparison, semi-structured interviews are often referred to as focused interviews and involve a sequence of open-ended questions based on topic areas preselected

by the researcher. The interview is based on broad questions with the assistance of prompts to help the interviewee and the open ended nature of the questions defines the area of review but allows the opportunity for both parties to discuss issues in more depth (Saunders et al 2003, Flick 2009). This method gives the researcher relative freedom to encourage the interviewee to elaborate or alternatively to follow up an unexpected line of inquiry initiated by the interviewee. Such an approach is most effective when the investigator has a number of topics that need to be tackled during the interview process (Robson 1999).

The concept of a structured interview means ensuring that each respondent is asked the same questions in the same way. To achieve this, a rigorously pre-formatted interview structure is utilised in order that a limited range of responses may be elicited. If the interview is too rigorously structured, this may detract from the researcher's ability to adequately explore the phenomena under review in terms of either required depth or breadth (Yin 2014)

3.6.5 Focus groups

Focus group interviews may be useful where there are limited research resources in the form of time, manpower and cost. A further advantage can be that the phenomena being researched require a collective discussion for an effective understanding of the behaviour, views and context and there is a possibility of gaining superior insights due to the group interaction. A typical recommended size for a focus group is 4 - 8 people, as a smaller group may restrict the potential for contrasting and complementary views, while larger ones may make it challenging for all participants to participate. Focus groups require considerable skill on the part of the facilitator in the form of analytical competence, listening, observation and group moderation. (Creswell 2003).

3.6.6 Detailed interview process

For this study, semi-structured, one-to-one interviews were selected as the main data collection technique, since they offered an opportunity to explore themes by structuring the interview around the interviewee's personal experience of change and leadership approach during the facility closure. Focus groups were considered but rejected in favour of personal interviews, because the researcher wished to elicit individual perceptions and reflections of personal experiences without the possible influences of stronger members of a group.

The interviews required privacy and therefore were conducted in neutral office areas, rather than offices used for routine superior-subordinate meetings, performance reviews, disciplinary meetings, etc. The researcher completed 20 individual interviews of nominally 1 hour duration that ranged in practice from 55mins to 1 hour 40 minutes.

The guidance of Kvale (2007p. 33) for interview craftsmanship was used to prepare for the interview process and the detailed planning and execution of the interviews is explained below, using his 'seven step' framework.

1. Thematising - *Formulates purpose and concepts of the interview.* The research objectives were clearly stated and themes developed around change experience of employees and managers, understanding of management actions, perception of actions, Hasanen (2010) model, Bridges (1991) model, Kübler-Ross (1973) and other relevant literature.

2. Designing - *Plan the design, taking into consideration all seven stages, before the interviewing starts.* A semi-structured approach was adopted but an allowance was made for possible tangential courses of inquiry. This provided coverage of the themes identified, with some assurance that high level research questions would receive a response and objectives achieved, whilst the models would provide prompt for areas of inquiry whilst allowing flexibility for interviewee expression, thereby remaining consistent with the research aims of seeking individual and collective social constructions of experience and perception.

3. Interviewing - *Based on an interview guide, conduct the interview.* The interview guide was prepared to remain consistent with the design priorities – research questions, research objectives, key models arising from literature review and free expression.

4. Recording – having requested and gained consent of the interviewees (see 3.7), each interview was recorded using a digital voice recorder.

4. Transcribing - *Prepare the interview material for analysis (includes a transcription).* Each interview was transcribed by the author from the audio recording.

5. Analysing - *Decide appropriate methods of analysis for the interview.* After experimenting with the use of Nvivo, the author devised a manual system for coding the data into the theme codes generated. Some adaptation and refinement of the codes were made after initial review due to additional codes being required.

6. Verifying – Checks were made of reliability (how consistent the results are) and validity (whether an interview study investigates what is intended to be investigated). The data reliability was considered acceptable in that broadly consistent results were attained to allow for comparison and contrast with other interviewees and also the models derived from the literature review. Importantly, however, variance was not considered a methodological problem, in that free expression of experiences and perceptions was encouraged. Validity of data was sense-checked and remains consistent with the research objectives of contributing to a richer understanding of facility closures as an organisational change process. In addition the author can confirm the areas of employee and manager change experiences were adequately covered by the data as were the employee perceptions of management actions. The

data covered the expected ground and also offered some unexpected insights. (Note: validity and reliability are discussed here because they are elements of Kvale's (2007) framework. A broader, critical discussion of data quality in qualitative research may be found in 3.9 below).

7. Reporting - Communicate the findings in a form that it lives up to scientific criteria, takes the ethical aspects of the investigation into consideration and results in a readable product.

Interviews are considered one of the most natural things in the world, a conversation between two people with a shared interest. What Silverman(2010) encourages is for the researcher to be aware of the 'baggage' one takes into the interview in form of:

- Subordinate hierarchical behaviour.
- Direct reports hierarchical behaviour.
- Peer relationships.

All can be subject to the vagaries of context and events of the moment impacting on reliability of response. The effective guarding strategy is to keep to the structure of the interview guide mindfully and skilfully use open-ended questions. This also ensured the questions and objectives were consistent throughout the interviews and allowed the models to be explored appropriately.

3.7 Ethical Considerations

The researcher has followed the University guidelines and adopted the code of conduct accordingly in this research. In this respect, written consent was solicited and gained from each employee interviewed and the intention and execution of the research study was explained (Saunders et al 2003). Participation was on an entirely voluntary basis and invitations were routed through the employee representative structure. Access to project and HR documentation was assured by leadership and oversight ensured by a steering committee. Observation opportunities were limited to site briefing events and the researcher is an integral part of that event as part of current management responsibilities. The aspect of vulnerability of site population was sensitively addressed by timing interviews around the exit from the organisation, when all internal matters surrounding severance have been concluded, time was available and when routine organisational exit interviews were being undertaken. This also allowed the author to explain how the respective interviews differ, the aspect of independence and the potential utility of the output for leadership of future closure events.

The author was very aware of the issues of relative role (i.e. of his position as Site Director) and the possibility of employees responding by seeking compliance, rather elaborating their personal views and experiences. This was another driver of the decision to hold the interviews towards the end of the closure process, as by this

time, awareness of role hierarchy was at its most diluted. (See 3.10.2 below for a fuller discussion of these issues).

The author ensured the following to maintain ethical integrity of the study:

- **Informed consent** of all participants – objectives of study clearly explained and a period of reflection of one week, encouraged prior to commitment.
- Only after **written consent** from the participant was gained did any interview take place.
- **Participation was voluntary** with a ‘no questions asked’ withdrawal from the study if the participant was uncomfortable at any stage of interviewing – prior, during or after the interviewing event.
- Each interviewee was asked **permission for recording** of the interview. In the event, this was granted by all of the interviewees.
- All **transcripts were provided** to the participant for review and edit, again with an option to withdraw upon review of the transcript.
- **Timing of interviews** at the end of the life cycle positioned them at the least threatening or vulnerable period for the employee. It also ensured that the sample members did not have unrivalled access to management during the closure event itself, leading to potential conflicts with the wider site population.
- **Confidentiality of the participant** was ensured by the use of pseudonyms and through anonymity of the quotations used in the research output.

In terms of the site in question, it was accepted that sensitivity throughout all interactions would be required due to the paradigm shift in employment status of each employee. The organisation had required and gained exceptional commitment from the employees during the closure period and there were no disputes or grievances recorded. This climate may have allowed an additional interview time point and this was explored. However, the organisation was reluctant to approve such an intervention suggesting this introduced unnecessary complexity to a ‘mission critical’ task for the company, i.e. closing the facility whilst maintaining a key source of product supply. The company maintained employee commitment to meet its business goals despite minor challenges to the technology transfer timelines.

Kotter (1996) asserts that ‘organisations change when people change. And, people change for emotional reasons.’ It is suggested that the employees underwent an emotional change and aligned more closely with local as opposed to global leadership. This presented a closure that was good-natured and mutually supportive. The study design, however, did cater for the fact that heightened emotions might exist along with a strained employee-manager relationship, hence the fact that interviews were timed at the end of the lifecycle. The author was certainly cognisant of the fact that a facility closure with a potentially fully redundant workforce could lead to levels of disengagement. So, with the high stakes, and with a potentially

highly charged emotional climate, it was decided with the executive leadership that interviews should be undertaken at the end of the closure lifecycle. In a potentially volatile climate, corporate-level management would not support the senior leader at the facility undertaking interviews at such a critical time. However, it was considered a minimal risk to the organisation at the end of lifecycle and also regarded as a relatively 'positive hand-off for the employees' in terms of self-expression.

Emphasising the utility value of the research in optimising the employee experience during closures and enhancing change management strategies was well received by participants. Each employee was offered the opportunity to review and edit the interview transcript but only three interviewees responded, and only with typographical recommendations. The motivation of the study in understanding the employee response and perception of leadership approach during change events was embraced in a positive manner.

The natural resistance to change in general was the focus of early management preparation training and informed the design of all employee communications. Indeed, the work of Bridges (1991), which was discussed by the author in the literature review (Chapter 2), was applied to these communications. The meanings of change are different at different levels of an organisation and need to be addressed accurately and respectfully at each level.

The research concludes with recommendations of the most appropriate ways of managing such traumatic individual change in a potentially adversarial climate. It is sincerely hoped that a great deal can be learnt from the research and thesis findings practically applied.

3.8 Data Analysis

3.8.1 Introduction

Yin (2014) suggests that analysing the data gathered is one of the most challenging areas of undertaking the case study approach. Schwandt (1994; p 123) asserts that an interpretive approach can provide a deep insight into "the complex world of lived experience from the point of view of those who live it". With this in mind, the epistemological assumption from an interpretive perspective is that "findings are literally created as the investigation proceeds" (Guba & Lincoln, 1998). Hence the interpretive study has been flexible and adaptive, as suggested by Orlikowski & Baroudi (1991), to enable constructs to emerge from the data and assist in understanding the phenomena. This has allowed the emergence of the phenomena of group interest and instrumental collaboration during the study.

It is through the process of analysis of the case study data in the interview record, observation and documentary evidence, that the deep insight desired may be attained. Furthermore, it is through the mental constructions of the participants that meaning can be explored. Of course, as Robson (1999) asserts, it is the researcher

who reveals this social reality and must understand his own mental construction too in the context of interpretation.

3.8.2 Approaches to coding and analysis

Due to the time required to code and analyse 21 interview transcripts, the author was advised to consider the nVivo software package as a means of organisation and analysis of large amounts of qualitative data. To that end, the author attended the two-part training required to utilise the software package. After some trial and error, the investigator decided against the continued investment of learning the intricacies the software package and reverted to manual coding to enable early momentum. Although 'messy' in comparison when one reviews the transcripts, the interviewer found that the manual coding method worked relatively well.

Beyond the practicalities of using a software-based or manual method of coding, lies the question of analysis method. The researcher has adopted the method of thematic analysis (Braun & Clarke 2012). The corpus had been collected and recorded in the form of participant interview transcripts of the complete sample. The semi-structured format of interviewing had created clear opportunities to code around the research questions and the theoretical frameworks identified by virtue of the literature review. In essence, an inductive approach has been adopted for the analysis task based on both research questions and existing theory (Hayes 1997).

In specific terms the process of thematic analysis has followed the approach of initial familiarisation with the data, searching for and confirming the themes and finally defining the themes for the structuring of the analysis. By nature this is an iterative process, particularly in the phase of confirming and naming themes which should pass the test of substance and coherence. (Braun and Clarke 2012)

To enable familiarisation of the data, the research questions were used to provide the broad topic areas for which consisted of staff experiences of change in closure, use of change management strategies and leadership approach in closures and as such that the semi structured format helped with the initial consolidation. Additionally, there were theoretical frameworks relevant to each of the research questions that provided prompts for codes to be generated. The interview template helped the coding process in that areas of particular interest had been identified based on review of previous literature and the drive to answer the research questions. By design, a series of open ended questions based on the preselected topic areas such as the productivity paradox, losses during transition and perception of leadership actions. These were framed as broad questions for the interview process, and prompts to help the process and maintain the open ended nature of the enquiry area. Importantly, even though there was a requirement to explore each area during interviewing there was the ability for both parties cover topics in depth if required, so not each transcript was uniform. This translated as semi-structured interviews allowed for encouragement of interviewees in key areas by probing, thereby

generating additional information or exploring further areas felt insightful. Therefore for coding, summaries could be structured for each interview, based on the inputs from each respondent and also an section for additional insights. The author selected this method since although it enables a structured examination of critical themes it also allows the author relative freedom to encourage the interviewee to illuminate a comment or alternatively follow a unexpected line of inquiry, quite possibly generated by the interviewee, which would assist with theory building.

As such, the key process areas for thematic analysis as posited by Braun and Clarke (2012) were completed as outlined in the following sub-sections.

Stage 1: Synopsis of Interview based around themes using manual coding

A) Personal experiences of change:

- Employee experience during the Gloucester closure.
- Manager experience during the Gloucester closure.
- Dealing with personal endings.
- Dealing with new beginnings.
- Handling redundancy execution as a manager.
- The shared need for the employment community.
- The transition – what happens and when in the ‘Neutral Zone’.

B) Applicability of change management frameworks:

- Bridges – characterisation of loss.
- Kübler-Ross – emotional change journey.
- Kotter – effective change management stratification.
- Changes to organisation processes – ‘making it stick’.
- Monitoring the progress toward closure.
- Experience of the GE Change Acceleration Process (CAP).

C) Leadership approach during a facility closure:

- Employee perception of management actions.
- Leadership style during a facility closure.
- Trust of management.

- The communicated vision for the closure process.
- Resource alignment and employee commitment.
- Hasanen – reasoning behind the productivity paradox.

D) Additional insights:

- Differences in employee approach based on long term plans.
- Manager desire for ‘last act’ with dimensions of pride and integrity.
- Employees regarding managers as ‘in the same boat’.
- Strength of company culture in driving approach.
- Disaffection and distancing of senior management.
- Potential of change readiness assessment.

Stage 2: Construction of common responses by topic area and manual coding

- Personal experiences of change.
- Applicability of change management.
- Leadership approach during a facility closure.

Stage 3: Refine findings and contrast with literature to locate potential contributions and insights.

During this stage, the themes were clearly named in an informative and concise manner, allowing for consolidation and justification of their meanings on the basis of the research questions and previous theoretical frameworks. The tests of substance and coherence of data for each theme area were applied accordingly (Braun and Clarke 2012).

RQ1: Personal Experiences of Change:

- Initial shock.
- Diversity of intentions of staff following exit.
- Value of notice period.
- Personal decision and prevarication.
- Navigating the change personally.
- Recognition of employee support.

- Manager experiences - the concept of same boat leadership.
- Hasanen theoretical propositions of loosening of managerial control, sense of injustice and vain hope – contradictions.

RQ2: Applicability of Change Management Models

- Impacts of GE company culture.
- The common threads of psychological transition.
- Change management model applied.
- Emergence and relevance of Kubler:Ross for closure.

RQ3: Impact of Leadership Approach

- Management actions & productivity outcomes
- The importance of trust in closure scenarios
- Perceptions of a socially responsible closure
- Leadership Approach
- Concept of servant leadership in the closure
- Executive visibility & presence during site closure

Additional insights generated from patterns of response:

- The productivity paradox occurs with management engagement.
- Leadership approach is important if termed a socially responsible closure.
- Kübler-Ross can capture emotional responses in closedown.
- Diversity of intentions on exit offers by segmentation opportunities.

3.9 Data quality

3.9.1 Data quality in qualitative research

Golafshani (2003) argues that the data quality criteria of validity and reliability are anchored in the domain of quantitative research and the positivist perspective. The research discussed here is of a qualitative nature and therefore these concepts of quality are suggested to be less relevant. Moreover, the positivist epistemological perspective which drives toward causality and measurement, and ultimately to generalisation is incongruent with the research objectives of this study.

Guba & Lincoln (1985) propose the criterion of trustworthiness as a high-level test of data quality in qualitative research. To be considered trustworthy, research should pass the key tests of credibility, transferability, dependability and conformability. The

author has addressed some of these concerns within the chapter but nonetheless there is an opportunity to consolidate the thought processes behind the claim that this qualitative research can be considered trustworthy.

3.9.2 The criterion of credibility

Credibility is offered as a fundamental requirement of research outputs in the test of trustworthiness of research. Seven activities are highlighted in the form of member checks, prolonged engagement, persistent observation, triangulation, peer debriefing, negative case analysis and referential adequacy. These criteria are explored accordingly with regard to the case study.

Member checks were performed on the interview transcripts. This process refers to the opportunity for the informants to check data. All interviews have been tape recorded, transcribed and sent back to the respondents for their individual confirmations that each copy was a true and fair reflection of the interview. Requests were made for the author to be made aware of missing facts and whether corrections were needed to individual statements. This was not only important in the context of actual facts and to ensure sensitive information was managed, but also to ensure that the respondent's viewpoint of the change experience was adequately captured. The feedback from the respondents did not result in any major rework and it only resulted in minor typographical and terminology changes.

Prolonged engagement requires an adequate amount of time to be spent in the empirical setting. This allows the researcher to derive the depth of contextual understanding in relation to the phenomenon under review. In this study, the author was immersed in the phenomena as site leader for the three year period. Hence the author was part of daily life and an accepted part of the community. Pilot interviews were conducted with selected shop floor and management staff in an abbreviated form to allow for testing of themes for the semi-structured format adopted. This was completed prior to the formal interviews taking place, whereby each employee was under formal redundancy notice at that stage. This allowed for honesty in response, with no possibility of adverse action from the employer at 'exit interview' stage. The author has the benefit of a deepened understanding of the type of work that was carried out at the facility and a working knowledge of the administrative, manufacturing and testing processes at the manufacturing facility.

Having tenure at the site prior to the closedown announcement then being part of the announcement event provided advantages in understanding the emotional position of the site community and hence being able to sensitively time the sharing of the intention to research change experiences in a case study format. Being part of the fabric of the site also allowed for development of the themes for interview as the closure unfolded. Appropriate time was also spent on studying secondary information such as management information, communication outputs and meeting minutes at the site. The author also reached out to other sites within the industry to

further help with contextualisation of the study, along with extensive literature research.

Although there are clear advantages to being an accepted part of the research phenomena there is a corresponding risk that the author's role and rank might affect data quality negatively, due to job title and hierarchical position. As discussed in 3.5.3 above, this risk was mitigated by the timing of the interview itself. The author also emphasised his position as a researcher during the interview events, which seemed to be broadly accepted and welcomed. It is the author's belief that by developing a professional researcher-respondent relationship within the structure of a university study, he was able to access genuine and sincere responses in which all the respondents spoke freely and without restriction about the closedown process, individual experiences of change and their perception of management actions. As a researcher, the author remained as passive and distanced as was reasonably possible throughout the data collection. By being consistently present and part of the community under study with an evolving role as a researcher it is argued that the test of prolonged engagement is appropriately supported and this has been critically important in respect of capturing the raw narrative, thoughts and reflections of the respondents.

Gaining sufficient depth to the research is the premise of the persistent observation test. In turn, this ensures the research is supported that it isolates the most relevant aspects of the phenomena under review. The case broadly explores the change experiences of employees and managers during the process of closedown. The theme naturally extends to the perception of employees of the actions of management, highlighted as an ostensible gap in existing research. Through the interviews, observations and documentation, the researcher regards the sources of data as constructive in terms of isolating the experiences of the respondents. Since experience of change unfolded during the closure for both employees and managers, the thesis has been generated with longitudinal observation and data collection to assist with interviews at exit. Literature has also been scrutinised in this respect, allowing for the identification and linking conceptions and explanations from the adjacencies to fields such as industrial decline and downsizing.

The cross-referencing of data in order to secure true context is termed triangulation (Lincoln & Guba, 1985). Of more importance to this research as a benefit of triangulation by using multiple data sources, was the ability to uncover novel aspects of the phenomena that were previously unknown to the author. This has been pivotal to the case study in that segmentation of respondents in four groups was uncovered through the research and coding process. Initially, the use of different sources of data was primarily undertaken in order to secure a true frame of reference for the study. This allowed cross-referencing of data and the consideration of multiple sources of data whilst using data collection methods in the form of interviews, participatory observations and document studies. Therefore this chapter has outlined

a structure that brings clarity to empirical analysis of the theoretical concepts uncovered in the literature review of closedown research.

The concept of peer debriefing has been applied to the study and this concerns exposure of the research process and researcher to a disinterested peer in an objective and analytical mode. The purpose of this is to facilitate the exploration of aspects of the inquiry that might only be limited to the researcher's mind (Lincoln & Guba, 1985). The author therefore appointed a reviewer and allowed a separate reviewing process, focusing on such bias. In addition, the research was continuously monitored by an experienced doctoral supervisor and a second supervisor.

Negative case analysis refers to the process of revising hypotheses with hindsight (Lincoln & Guba, 1985). Negative case analysis has not been applied in this thesis, predominantly due to the design of the research questions, which enquire into the experience of change as opposed to testing of hypotheses.

Keeping some of the data in its crude state is required for referential adequacy, so that conclusions can later be tested again. The interviews have been retained in their raw format but the process of retesting is challenging, since the findings select what are considered representative quotations. It can be argued that during interviews the data is being mentally processed and preliminarily analyzed in the mind of the researcher. Naturally some data has been excluded and some included on the basis of its representative nature. It still remains an awkward task for the researcher to distinguish pieces of information that may be regarded as representative but are not an obstacle to the understanding of readers.

3.9.3 The criterion of transferability

Transferability relates to the ability to transfer the findings from a case study to other contexts (Lincoln & Guba, 1985). This in turn refers to whether sufficiently comprehensive descriptions have been created to allow another researcher to replicate the work. The author argues that the methodology adopted to survey this particular case could be reasonably replicated in similar site shutdown settings. A limitation discussed beforehand in this particular case is the fact that the duration of shutdown was comparatively long, and hence allows for a longer period of adaption, coming to terms with the proposition of redundancy and an enabling of personal reflection. However, it is not only the pharmaceutical industry that is subject to the long shutdown periods – for example, the nuclear energy and education industries are other examples of contexts in which such a controlled exit requirement would be necessary. In fact any industry or sector that is highly regulated with complex approval requirements would demand phased and controlled shutdowns that inflict minimal disruption on stakeholders. With such conditions in mind the author argues that there is an opportunity for a modest level of transferability to other shutdowns requiring a similar three-year closedown period.

3.9.4 The criterion of dependability

The actual process selected for the research inquiry from a methodology perspective encompasses the challenge of dependability (Lincoln & Guba, 1985). This test focuses on methodological developments over time and how the researcher has made decisions about how to conduct the study itself and how practical considerations of the research environment have been tackled. The process of research was described at the outset of this chapter, where the philosophical and methodological considerations, data collection concerns and challenges were explored. How the literature search was conducted is outlined in chapter two, and this has naturally evolved as the study has progressed and developed. It is through the narrative of these deliberations, conducted at an appropriate depth, that the author believes there is an adequate depth of material for the reader to generate a sufficient understanding of the structure of the research process guiding the thesis. As previously articulated, there are many dependencies in the study – employees, managers, length of shutdown, pre-existing organization culture – and, rather than demonstrating control of the variables in an experimental sense, the methodology adopted confers awareness of the potential influence of such factors.

3.9.5 The criterion of confirmability

Confirmability relates to consistency of the findings and ultimately the product of the research, reflecting on the constancy of findings, data and concepts. It is to be hoped that the foregoing discussion demonstrates the logical linkages between the process and the ultimate output of the research, such that it can be considered trustworthy. The focus of this particular area of evaluation of methodology is to examine conceptual constructs developed and the eventual research output. In the case under review there were a number of iterations in the respect of using a pilot template prior to structuring the interviews, basing the questions around existing research and in addition to discussions held with leaders who had experienced a site closure themselves. Such aspects enabled the author to create an initially crude analytical framework, which was eventually refined to enable focused data collection in the form of interviews, observations and documentary material.

Theory generation and confirmation are inseparable in case studies (Hultén, 2002). In this study, theory is generated through the findings which support or contradict existing literature. As one might expect, the iterative method of developing the study has allowed for improvement of research rigor and more clarity with respect to the focus of the inquiry. As such, there has been an evolution of the research frame and hence the scope of the empirical data collection. The reader has been presented with this information so that an evaluation of the procedure and outcome of research can be undertaken. The aim of this narrative is through the rigor of analysis and challenge to support the trustworthiness of the research findings, and ultimately the study itself.

3.10 Overview and evaluation of chosen methodology

3.10.1 Overview of methodology

The methodology has to be fit for purpose with regards to the research aim and questions. Naturally, the research problem has been located around phenomena of interest, in this case the human experiences of change, the applicability of change management and perceptions of leadership actions during a site closure. Such phenomena are evidently socially constructed and multi-layered. Given these ontological issues, it was concluded that measurement was inappropriate and the data has the additional complexity of interpretation on both the part of the researcher and researched. In this respect a relativist ontology, which positions its philosophy clearly within the realms of 'searching for meaning' as opposed to absolute truth, is the perspective adopted by the author for this study. The researcher has adopted the interpretivist and constructivist worldview, since this approach seeks to translate the naturally occurring phenomena of the social world by decoding multiple mental constructions. (Easterby-Smith et al. 1992).

Within this qualitative domain of thought, the researcher has looked to build theory inductively, on the basis of the qualitative data generated with respect to staff experiences of change and their relative perceptions of management actions. A case study strategy has been selected to gain rich insights through an empirical investigation. Saunders et al. (2003, p.93) suggest that the *'case study strategy has considerable ability to generate answers to the question 'why?' as well as the 'how?' and 'what?' questions'*. There are clear 'how' questions relating to the change experience and perceptions of management actions. Saunders et al. (2003, p.93) also add that *'case study can be a very worthwhile way of exploring existing theory'* and in this context the frameworks of Kübler-Ross (1973), Kotter (1980), Bridges (1991), and Hasanen (2010) have been explored.

The author is aware that alternative research strategies could be applied to the research questions articulated. Certainly, action research was entertained and has some positive dimensions (Coghlan 2010), but has its own methodological challenges (Gustavesen 2008). However, for this approach the sponsoring organisation has to be committed and in this case the executive team were uncomfortable with the interventionist and experimental elements of action research. Fundamentally, the methodological approach must be consistent with the phenomena under review. As explained in 3.4 above, after much review and reflection, with the ontological position and subject in mind, the case study approach was adopted for this study. It is the most widely adopted approach thus far in the plant closure field (Hasanen 2010, Hansson et al. 2006). Robson (1999) contends that a case study is the most typical linkage to an exploratory purpose, as applies to this study. Robson (1999) also recommends that the case study should focus on current events and concerns, which were to a high degree the focus of this study.

Generalisability is not a concern for the author, since it is the insight and rich context that is sought in this particular study. There are the challenges of inductive fallacy but as Yin (2014) argues, cases can be used to inductively generate theories without generalisation. It is suggested that some theoretical generalisations may be made on the basis of the typical nature of a 'pharmaceutical industry site closedown' and a GE site employing a common and embedded change management strategy. However, it is the change experience and perception of management actions during the closure that are the object of the study. Statistical generalisations were not an aim or aspiration of the research, and as Kuper & Kuper (1985) and Flyvbjerg (2006) observe, such intensive and in-depth study has given rise to many an important discovery. It is intended that this study provides enough in rich, meaningful insight into the Gloucester site experience through the language of employees and managers alike. The approach is inductive and through this means significant findings have been generated from the data gathered. The study findings are discussed in the following chapter.

3.10.2 Researcher-practitioner considerations

The dimension of the hierarchical position of the author, as the most senior manager at the facility and the potential impact of social desirability and authority has been considered. To help mitigate such concerns, the timing of the interview was considered critical. Each interview was held close to exit date and as such the interviewer would command no influence over performance ratings, interim advancement or severance calculations. Importantly the author emphasised the need to treat him as a researcher undertaking a study as a representative of the University and again a neutral location was selected to encourage a symbolic break with organisational routine and familiarity. The openness displayed by employees on exit from an organisation was also a clear positive consideration as part of the study design and as such the interviews themselves converged with routine exit interviews undertaken by the company. Although, difficult for employees to remove themselves from the work mind-set, even temporarily, there is some evidence as offered by some respondents that staff were able see the author wearing a 'different hat' for the interview itself.

The author has already discussed the fact that the data itself is socially constructed and that it not only concerns those interviewed, but the author too has a socially constructed interpretation to consider. In this respect, the author has had a colleague review each interview transcript prior to coding to seek the contribution of an independent person to the study. Following a review of each transcript, a short discussion was held to elicit a high level overview. As a result some advice and guidance was provided, particularly in the form of the clear separation of the understanding of the management terms. These discussions helped solidify the separation between off site executive leadership and on site management. It was also to allow more 'distancing' of oneself from some of the emotion articulated in the

interviews and focus on common themes. In addition, some areas of local area disputes, for instance how the sickness policy was administered in a specific area was suggested as a matter to be placed in context and to not be laboured as part of the research. This concept of 'peer debriefing' has been recommended as a guard against the bias can impact socially dependent qualitative studies.

Robson (1999) contends merely being aware of the unintended consequences and impact of potential interviewer distortion encourages a more 'mindful and vigilant' approach to interpretation. Although a potential pitfall and a major ontological challenge, the author has remained mindful of the bias particularly from a leadership standpoint. Having exited the organisation following the site closure, after being offered an internal opportunity, this has helped the author remain more open-minded about the leadership bias. Simply trying to wear a 'researcher's hat' as opposed to being the 'Site Director' offered a useful shift of paradigm. This in turn has allowed for some reflection prior to review, regarded as critical in 'enhancing the trustworthiness, transparency and accountability of their research' and the use of a research journal has helped in this respect. (Finlay 2002).

There are specific challenges faced by the practitioner-doctoral researcher, and the author accepts that there were obstacles posed by this dual role. As *'there are clear sets of difficulties in conducting a research study in one's own workplace in terms of the researchers status within the institution and considerations regarding what the researcher represents to the other participants'* (Drake and Heath, 2011, p.29). Furthermore being an 'insider-researcher' draws an additional level of complexity that has been considered as articulated above.

Each interview took approximately 1 hour, although one took 1hour 40 minutes and each was completed in a neutral confidential office area at the facility by the author. This neutrality was designed to help overcome the aspect of the hierarchical challenge faced by the author. Since the author's office was routinely available and this alternative location was purposely chosen, this enabled the researcher's role to be emphasised at the outset of each interview and a symbolic break of the hierarchical relationship effected.

To validate the point one of those interviewed offered the following after the interview:

That felt different, Steve. Not sure what it was in particular. Maybe being in the Conference Room rather than your office? I don't know. Maybe your approach in that you're talking a lot less than usual! Only joking. Weird really. Anyway, you can be certain I didn't pull any punches there and since I'm leaving the organisation, I've no reason to not be honest about the way I feel. Feels cathartic in way, I think, you know. The organisation has treated us well but a lot of that has been your leadership, in my opinion. It's just about being honest and hope the research goes well for you. I'd be interested in the outcome. (Dylan, Manager).

3.10.3 Yin's 'Exemplary case study'

An 'acid test' provided by Yin (2014) was used to evaluate the case study by asking a number of questions which are itemised and answered in Table 5.

Yin (2014) Question	Author's Response
Is the case study significant?	It is the authors' belief that the case is of general business interest and as such this view has been validated in discussions with previous leadership teams who have been through similar processes. The research in this particular area is sparse and this is documented in the preceding literature review. Discussions around employee and manager experiences of change during closures are limited to productivity studies. Alternatively a great wealth of work exists in the form of partial redundancy and impacts on survivors. Particularly, the understanding of employee change experiences, employee perceptions of management actions and impact of leadership approach is currently undeveloped. Due to developments in the economy and the increasing number of closures in the UK, the author asserts that this study focuses on an area of concern at national level. With respect to the company, the research will provide either prompts for improvement or alternatively endorse the change management strategy in place.
Is the case study complete?	The case study has a predetermined time horizon and spatial boundaries articulated in the form of the site geography and indeed the time continuum. It is posited that the relevant evidence is clearly identified in the discussion of findings (Chapter 4) and that this is appropriately thorough.
Does the case study consider alternative perspectives?	Both functional and hierarchical spectra have been woven into the study design. It is the potential for rival propositions between management and employees that provide the framework for the study. Firstly, the individual experiences of change by both populations during the closure events were a key focus of the research. Another aim was to explore the perceptions of management actions and impact of leadership approach by employees and managers within the context of a site closure environment.
Does the case study display	The author has identified the data sources which will provide evidence of perspective on the change experiences of

<p>sufficient evidence?</p>	<p>employees and managers in these adversarial circumstances. A powerful narrative surfaces through semi-structured interviewing which allows an exploration of the pre-existing models that have been signposts throughout the study. The study presents a mixture of supporting data for existing models of understanding closures and also some data that may present a challenge for previous research contributions.</p>
<p>Is the case composed in an engaging manner?</p>	<p>Starting with the metaphor and alliteration of 'surviving the sinking ship' the study has developed further understanding of real change and real psychological transition of an entire working site community. The interactions of managers and employees during such an event has provided a fascinating subject for the author. Engagement has been a key aim throughout the study.</p>

Table 5 Yin (2014) Aspiring Toward the Exemplary Case Study

Chapter 4: Research Findings

4.1 Introduction

The following chapter presents the research findings generated through analysis of the interview, documentary and observation data. As suggested in the previous chapter, through the application of thematic analysis, a number of substantial and coherent themes have emerged from the data sets.

The findings are located around each of the research questions and theoretical frameworks selected during the process of literature review. There have been insights generated around each of the research question areas which articulate the experiences of employees and managers during a site closure, accounting for the use of change management strategies and the impact of leadership approach.

In the area of experience of change by employees and managers during a closure, the theme of personal intentions following exit as a key differentiator within the employed population has emerged. In addition, the value placed on both financial incentives and notice period has surfaced as a key determinant in the area of retention and stability of workforce morale during a period of significant change.

The applicability of a change management strategy is a key thread of enquiry for the research and as such has generated new insights into how such strategies can be implemented and into their respective limitations. In this respect, understanding of organisational culture is critical in terms of the context into which a model is introduced. In addition, understanding of the psychological transition is informed by the models advanced by Bridges (2001) and Kübler-Ross (1996) and there is resonance with the site population of the relevance of these theories. The GE CAP model is evaluated with respect to its application within a closure and its utility and appropriateness to the context is explored, as are areas of enhancement that need to be addressed.

With respect to the subject of leadership approach the data shines a light on potentially drivers for the productivity paradox. An emerging theme has been the criticality of the manager-employee trust dynamic on the 'mood music' into which management plans can be introduced and presented. This has then raised questions about the current definition of a 'socially responsible closure', which does not include a discussion of leadership approach, thus presenting a potential incongruence. There is compelling evidence around the potential contribution of a servant leadership style and its appropriateness to the context of the site closure.

4.2 RQ1: How is change experienced by employees and managers during a facility closure?

The first element of the research enquiry has concerned itself with the change experiences of both employees and managers and yielded a number of findings which contribute to understanding of the dynamics of human relationships within a closing site. No matter how likely the closure was in perception terms, most of the employees wrestled with shock once their fears were confirmed. A potential differentiation of the site population became possible with the emergence of different intentions on exit. This provides context to the differing experiences of organisational support strategies put into place by the company for employees. The value placed on notice period is affirmed with a contribution to the trust equation asserted in its role, setting the tone for the manager – employee relationship. In turn, the managers were characterised as ‘being in the same boat’ as a result of an equivalent length of tenure and the multilateral nature of the impact of the decision. The findings are discussed in further detail in the discussion that follows.

4.2.1 Shock

A number of themes emerged when respondents were asked about their experience of personal change during the closure event. These are subsequently discussed in the context of the literature review (Chapter 2).

Many of those interviewed recalled their shock at the original announcement, explaining that they expected a larger company to be more secure and reflected that this was one of the reasons they joined the company in first place. They also shared the view that the site was profitable and also productive, something supported by the many executive presentations held at the facility. A smaller proportion of those interviewed suggested that they felt the closure was a possibility since there had been little investment in the last three years, the site was small in comparison to others and it was a leased building.

A number of the sample mentioned that there was concern back in 2004, when GE had taken over, that a small site may well be consolidated. The fact that neither rationalisation nor site closure had happened meant that for many employees that perceived threat had passed, especially in the light of stellar business and operating performance. The site had also been subject to a number of restructuring initiatives (including three headcount reductions between 2004-2010), so for many this seemed like the *modus operandi* for GE as opposed to outright site closure.

An employee offered her view on this:

For me, this stems back to 2004 when GE acquired the company, since all the talk then was that they would come in, cut out the costs, close sites, they had that sort of reputation’ (Frances).

As employees reflected on the initial shock they felt following announcement, it would seem they navigated the Kübler-Ross change curve and moved relatively quickly to the experimental and decisional phases on the curve. This was explained by some as predominantly due to the extent of the notice provided to them:

'Nothing really changed for me in a work sense after the announcement and that went on for a couple of years and I would say it's really only in the last year that it's been significant in terms of being affected by the change and starting to think about life after the closure really' (Tony).

4.2.2 Segmentation of site closure populations by intention

Through interviewing it became clear there were discrete groups of individuals at the facility, with fundamentally different needs and aspirations during the closure period. These can be classified as follows:

- **Retirees** – those planning to retire with the extra security of a redundancy payment, or enter semi-retirement by releasing part of their pension due to the 'lifestyle event' clause within the occupational pension scheme. (The pension scheme is a 'final salary' pension scheme and, through independent financial advice, many had decided release reduced but earlier pension payments).
- **Career Changers** – people using the closure as an opportunity to retrain for another career for security, aspiration or 'bucket list' reasons. All in this category planned to stay in the area to do this.
- **Active careerists** but geographically bound – those who planned to continue with their current career specialism but accept some compromise on the basis that they were geographically bound for partner, family and/or associated reasons.
- **Active careerists** but geographically mobile – those planning to use the experience as a springboard for their current career and seeking the 'next level up' role by moving to where the opportunities were following the site closure conclusion.

Naturally, the needs of each group were different and this was shared during the interviews. Those retiring required:

- Guarantee of departure date due to retirement age and plans.
- Understanding of company exit and financial advice regarding taxation and use of pension schemes (AVCs).
- Retirement support – help in making the transition.
- 'Semi-retirees' and 'Downshifter' needed advice around maximising income and living within the new income.

The career changers requested:

- Advice from outplacement support about making the switch happen.
- Support from the appropriate professional bodies about qualification and career entry criteria.
- Business start-up guidance and planning templates.
- Release dates on basis of key intake milestones for university, teaching etc.

Active careerists who were geographically bound wanted:

- Financial advice for an anticipated drop in salary (those wishing to stay in a specific area often experience salary compromises, whilst those moving to where their skills are required can command equitable or even superior salary packages cite Chapain & Murie 2008).
- Access to local opportunities in their field through agencies and outplacement support.
- Skills analysis, CV writing assistance and planning help.
- Valuable on-site or in-company training experiences like Lean, Six Sigma, Presentation Skills, Microsoft Office etc.

Active careerists who were geographically mobile desired many of the above requirements but did not anticipate a reduction in salary. On the contrary, they expected a higher salary and a likely 'step up' in career terms.

As one might imagine, the groups navigated the change in very different ways. For the retirement population there was some anxiety about the actual closure date being extended and their having to delay retirement plans to avoid missing out on the redundancy package (these individuals would have been regarded as terminating employees if leaving prior to business direction). Many had clear plans regarding activities after retirement so there was considered to be a fine balance between delivering for the business and exiting employment.

The 'geographically bound careerists' had made a clear decision to stay in the area and although they hoped to find equivalent pay, they accepted that due to tenure in the company they had accumulated a number of pay rises associated with service and would need to 'start over' in the new company. These individuals seemed to clearly understand the need to make themselves marketable and had used the career support packages to discover their own marketable and transferable skills. The closure decision forced some into action:

'I've always been a bit of a procrastinator and sort of put stuff on the back burner, so then I started going back to college and got into the habit of it and sort of re-found learning a little bit because I basically stalled slightly. Now just doing that, just doing

something, made me feel a lot better, I feel a lot less nervous about when the site actually closes now' (John).

4.2.3 Notice period

Whether the decision to close the site was considered a shock or not, the population was unanimous in its gratitude that it was a three year closure plan. This allowed all to make financial provisions and prepare for the exit from the company and/or discuss internal possibilities. The respondents shared the view that this took the pressure off the announcement itself and helped them process the loss of their jobs at this particular location and maybe within the company. Of course, such a long term closure plan is not typical of all plant closures but would apply to most pharmaceutical facilities and others requiring a high degree of regulation such as the nuclear industry.

To provide context, one interviewee suggested:

'It's a weird feeling, you know, I'm being made redundant but it's not for three years. But I wouldn't want to change that, it think it has worked well for everybody, everybody knew where they stood, it probably helped that the work stayed quite busy, I think it had been three years' worth of light (work) schedules, it might have been different' (Adam).

A number of respondents added that whilst the 'pressure was off' at the start of the three years, toward the end of the plan there was more anxiety associated with the date of release. Many offered that they 'just wanted to know when they were going to go' and that the timing of external job offers and actual release date wasn't always ideal. From September 2013 through to June 2014 there were a series of phased releases of staff and for most the date of release was matched to skills required for each of the different phases. Last batch manufacture took place in October 2013 but following that the packaging, documentation and quality release processes needed to be undertaken, effectively complete by December 2013. Following this the site entered a decommissioning phase where the facility had to be qualified all over again to provide a 'final qualification timepoint', to which all medical products manufactured at the facility could be referenced in the event of a complaint in the marketplace. When asked, all respondents could accurately detail the phases of closure and the various skill requirements and it was noted that through 'Town Hall' events this had been explained in enough detail.

There is value in sharing the news regarding the company decision and doing this as early as possible. This is the critical milestone in the communication process that unfolds during a closure and an opportunity to build trust between management and employees. That said, it would be regarded best practice to undertake due diligence on the threats and opportunities of making such an announcement by the use of a change readiness assessment. Obviously, following announcement the community becomes vulnerable and as such knowledge of the status of the employee group and

external environment will at the very least inform the management team but may lead to responsible timing alterations.

4.2.4 Personal decision

Following the announcement event, the interviewees had to make the personal decision to stay or go. Since all admitted the 'pressure was off' financially, it was a case of taking time to discuss issues with colleagues and close friends and family. It was important that they had the information to make that decision in the form of the financial incentives, outplacement support packages, training assistance and roughly gauged timeline of the three years. It was noted that a small number of employees left right away and their justification was that they wanted to seize the external offers available immediately, rather than compete with others when a number of Gloucester staff were looking for similar jobs. The number of employees that left directly after announcement was 3 out of over 100 staff, so small in number. Those early leavers were not interviewed for this study since the research questions are bounded by 'time served' employees in the plant closure environment. It is important to note that there were no leavers following this initial period after the announcement.

A striking element of the story, therefore, is that those who decided to stay after the announcement, did actually stay until the end. Why? The respondents were quite clear that they felt the retention package to be generous and that they'd be foolish to miss out on it considering the relative security. As one member of staff contributed:

'After the initial shock of learning you'd lose your job, you started to discuss with people outside the company and they'd say 'Wow – you're getting three years employment guaranteed, then you end up with a generous pay off – it's a 'no brainer' mate' (Jeff).

Another reinforced this view:

'Once you've made the decision to stay, leaving the business, even for a good job offer is a lot harder when there's a lot of cash on the table. HR give you your severance number in round pounds and you can see that there are lots of things you can do with that money and it's cash and a lot of that's tax free. It wasn't just the money but that has a large say in your will to hang on until the end' (Mervyn).

Another added:

'When discussing my redundancy position with family I was reminded of my sister, who was given no notice and no support with statutory redundancy pay. What we had been offered was entirely the other end of the spectrum, my family remarked on how well I was being treated in comparison to others they knew, who had been made redundant' (Frances).

The company had undertaken some research on best practices during site closure from within the GE network and with other pharmaceutical companies such as

Boehringer Ingelheim and Glaxo Smithkline who used similarly long closure timescales. What had been learnt from those experiences was that to give employees as long a notice period as possible had worked in the favour of the employer by keeping the site population settled with information and knowledge of the eventual outcome. In contrast, those employers who surreptitiously worked at a closure under the guise of secondary sourcing had suffered from leaks and then subsequently were mistrusted.

Some employees had been considering leaving for other reasons but the decision to announce the closure and announce generous retention terms made them think again. Clearly, this was the purpose of the retention and the early announcement – to ensure that valuable skills were retained to ensure that product quality was maintained and that the site did not become a regulatory risk with a potential supply chain impact. For many, this offered the chance to ‘start again’ and potentially try something new altogether. This change of personal decision is typified by the following quotation:

‘Um, prior to the announcement I was thinking about leaving, I hadn’t done a great deal about it, it was just something in the back of my mind, um you know I got a little bit lazy just being here, um when the actual retention was announced I thought well I better stay, initially my first reaction was I’ll stay for the retention and then that’ll give me enough money to sort of maybe start my own business or something like that, so it would sort of fund a dream almost’ (Sam).

The closure was announced in July 2010, just two years after the start in 2008 of a major global recession. It would appear that those circumstances encouraged some people to stay, in that the site provided a relative ‘safe haven’ whilst economic events unfurled:

‘So yeah it was a consideration that if you could get a reasonably well paid job it may over the course of the years almost pay back your retention, whereas taking a retention and then struggling for work for a couple of years, but I think with the recession being on it was tougher to sort of find any other jobs that would be able to fill that role so, there was a few moments of doubt, but basically I decided to stay’ (Craig).

These facts were shared with employees and as such they took some individual responsibility to use the three year notice period in a proactive and transparent way.

4.2.5 Navigating the change personally

Although most employees were looking out to future roles positively, the fact they were working at a closing facility hit a raw nerve with many. The management team would eulogise about the plant performance and explain that the decision had been made with a wider business strategy in mind but many questioned this. Management added reasoning around a business response to the environment, which showed a

decline in demand for the facility's products. Whatever the reason, some employees still felt a little ashamed to have been working at the facility where they were losing their job. This interview respondent explained:

' I generally don't tell people that I'm losing my job unless I know them really well, maybe it's a bit of me that I don't want to talk about it or feel a bit of a failure maybe' (Dave).

For some, the closer they came to the actual date of departure, the more there was a dawning of a reality. With so much notice, many were able to ignore the absolute certainty of a job loss from the plant. However, as the date neared, the reality that a planned exit would be brought to fruition became more factual and tangible. Many employees thought about the time in terms of pay packets, as exemplified by the following quotation:

'It still doesn't, it still sort of doesn't feel almost real and I think on that final day as you leave for the final time it's going to, or maybe even a week later or something, but yeah, that's almost how I feel at the moment, trying to convince myself that it's coming soon, cos it was always 3 years, oh its 3 years, and now yes it's two pay packets away, you start ...' (Charlie).

For some it would seem the chance that there might be a last minute reprieve or that the technology transfer may falter was still a consideration. However, as the progress of the technology transfer was shared, and the certainty of organisational commitment to the closure and successful transfer of operations became apparent, those hopes were effectively dashed. The following respondent shares their acceptance of this truth:

'.....but seeing things progress and certain tick points in the transfer of the products being reached suddenly sort of stamps it home that things are progressing along and its not going to, its not going to be allowed to drift into not happening' (Sam).

Some interviewed felt that those who had been at the facility longer, those veterans of 20 years or so, had found the whole process of the closure announcement that much harder. The suggestion is that those who had such tenure would not talk about the closure or their plans in the same way as others with less emotional attachment and less tenure. The following quotation is a poignant recognition that the closure was all the more painful for those with a longer work history at the facility:

' I think some of the members of the team that have been here even longer maybe are still like there's a couple of people that have been here say 20 odd years and they don't ever really talk about the site closure, almost still a little bit, I mean I think it's just nerves basically, something that was a big part of their life for 20 odd years is suddenly going to be gone' (Tessa).

4.2.6 Employee support

All employees remarked on the positive employee support offered during the closure period and unanimously indicated the acceptability of the financial incentive to stay. The minimum payment an employee would receive would amount to 9 months of annual pay, whilst others would benefit from more extensive redundancy terms. In comparison to the statutory terms of 1 week's pay for each year of service this was perceived as a generous settlement.

The package of employee support was volunteered by the employees and opinion varied and how applicable the support was at an individual level. Many felt that early on, they weren't as interested in the support but were interested enough to attend awareness sessions on financial planning and career/outplacement services. Most remarked that the skills analysis helped in determining areas to focus on during the three years and also offered an insight into what transferable skills were actually possessed.

The financial incentives were considered generous by all employees and no-one recalled an alternative experience where more generous terms had been offered by a previous employer with respect to redundancy. To add to this comparison, it was also noticed that no examples were offered of friends or relatives receiving financial incentives of a similar proportion.

The subject of the generous financial incentive arose very quickly in the discussion area of employee support. The employees certainly considered the incentive effective in its design and intention and valued this element of the support package:

'Whether redundancy or retention payment, I think we've all done well. Well, I don't think, I know this because I don't know anywhere that has given nine months minimum payment to employees, no matter how long they've been here. I've been made redundant twice and received statutory once and then slightly enhanced terms but never this sort of payment. Think the performance and attendance criteria are right because you don't want shirkers toward the end, it keeps people on their toes' (Frances).

'When they announced the money offer I was pleased. It helps when you're coming to terms with losing your job. I've got bills to pay and knowing those bills can be paid for a number of months whilst I look for work is important' (Steve).

In terms of training packages, practically all employees took up the offer of internal training of some type. Notably, almost half the population attended a certified project management training course, citing its applicability in a wide ranging number of environments. Others attended internal presentation training, influencing others workshops, making a positive impact seminar, change management and technical industry courses. These were well received and it would seem employees learnt a great deal from them and valued the opportunities afforded to them in this way:

'I attended the project management training; it was fun in that the planning required for a royal family celebration event was used. The trainer brought along a lot of paraphernalia, banners, cakes etc. but a lot of serious lessons were learnt about work breakdown structures, capacity constraints etc. He made it clear this could be applied to all environments not just our industry. I don't think I would have been nominated for the course had the site not been closing, that was good of management' (Florence).

"Went on every course I could and my manager supported my release. I figure if it's on offer that you should take advantage of it. I learnt more from some courses than others. Project management was good and so was influencing skills. It makes you think a bit differently, not too sure I had the chance to use it all though, since the site was running down. It's up to me to use all the knowledge gained in my new job' (John).

Approximately 25% of the site workforce took up the offer of financial assistance for external training. The company created a fund of £2000 for each employee, which worked on an exact matching basis, whereby the company matched each employee pound up to the maximum of £2000. This structure was created after seeking best practices from other companies, whereby the success of employee matched funding outperformed any unmatched/unattached employer funding. The premise was that any employee investment is more likely to see the employee finish the course, whilst a fund bereft of employee investment had experienced poor course completion rates.

'I'd always wanted to be a teacher and sort of fell into this industry and planning. Life takes over and all of a sudden you're 40 with kids and mortgage! I had been thinking about retraining for some time but it was all talk really and my husband humoured me. The closure created the perfect storm, I suppose as I think about it. My secure job was actually gone, there was funding on offer from the company, my manager supported my release to attend a local school so I could accumulate the required hours. There is also government funding for mature students transitioning to education so that helped. Then the severance payment will pay the bills in my PGCE year. It still is daunting, but I've had every support imaginable to make the jump' (Ali).

'I'm doing a Horticulture course since I've always dreamed of working outside. The qualification gives me more of an opportunity to apply for those roles and that is definitely what I'm going to do. I've learnt a lot and now have some certification. The funding really helped but I would have probably paid for this myself since I was really motivated to do it' (Sam).

'I used the funding since I really need some additional skills to get my business off the ground. At the moment it's a hobby – reflexology, reiki healing, massage and other complementary therapies. The training fund has helped me develop additional skills so that my business can cover more needs. I want it to be a success, but at the moment it's just a hobby' (Tessa).

Career development support was also offered by management in the form of skills analysis workshops by delivered by Gloucestershire First (Local Enterprise Partnership) and these were used by 70% of the employee population. Right Management outplacement consultants also supported this provision in the final phases of exit. For many it was a process of discovery, where a great deal was learnt about transferable skills and the most likely next steps in terms of career opportunities.

'The G-First workshops were better than I anticipated in that rather than preaching the same thing to different people, they assessed us all individually and we all had 1-2-1 sessions as a follow up. This made it a lot better since we talked about what we planned to do and what we'd need to get there. Also it made me think about how some of my other life experiences could be used to demonstrate valuable work skills. That helped with my confidence' (Adam).

'Training by G-First really helped since they seemed to be able to share lots of positive experiences and the matter of fact way it was done, also helped. Job search strategies were discussed and it really made you think about different ways of getting a new job, particularly friends and family' (Charlie).

'I attended the workshop, I'm clearer on the skills I actually have and they've helped me set up a LinkedIn profile – I wouldn't have done that without their help. They know their stuff and it makes me feel better about things generally' (Barry).

'I didn't go (to the career development workshop) since I plan to retire so believe it was inappropriate for me. The retirement planning workshop has been thought-provoking since it's not as simple as you think at first. There are many areas of consideration to ensure you optimise and safeguard your financial position. I'd like to have the possibility of consultancy a little later on so the workshop also addressed the matter of not compromising pension allowance' (Jim).

4.2.7 Manager experiences - the concept of same boat leadership

It would seem that employees really did regard the managers as 'in the same boat' and this helped in rapport building. Knowing that managers and employees alike were facing the prospect of redundancy led to a more intimate employee-manager relationship. In fact the redundancy prospect affected both groups equally, whereby every manager, excluding one junior example, did exit the business on site closure. An empathetic approach was taken by site leadership whilst ensuring that the employee-manager boundaries were respected and managerial authority asserted. Therefore the initial expectation that managers would be viewed as having a different set of circumstances due to being managers was not claimed by employees in the case researched.

'Yeah its fair enough as far as I'm concerned the managers might earn more money but they've still lost their jobs at the end of the day. They've got families and bills to

pay just like the rest of us. My previous experience of redundancy wasn't this way, we went through reductions across the factory but we didn't see any managers touched at all. That just didn't seem right – especially when some of the managers wanted to go! Here, with everything the way it is, it seems like everyone is going and although its strange to say, I think its fairer that way.' (Tony).

Employees described managers as facing the same personal challenges and angst in the closure environment. This led to the perception of employees that they could more easily identify with managers on a personal level, which helped with rapport building. In turn this encouraged the manager to be genuinely empathetic with employees as they discussed their current and future concerns.

'I know I don't always agree with management in the town halls and everything, I can be quite vocal because I like to be contentious. But I have to accept that they are in the same boat. I've seen a more human side to many managers throughout the closure, looking into the staff training plans and letting people off for training, you know. Like the operators on the shopfloor, they've got different personalities so they come across differently. But they definitely have the same problems as us when the site closes. Well, some on a different scale I'd say, if you know what I mean?' (Charlie).

Another added:

'I've changed over the course of the site shutting. I feel a little bit guilty that I thought differently about management at the start but I hadn't been here as long as the others in terms of knowing them. I did think they were different because they would end up with jobs elsewhere in the company. That hasn't happened though. We're all walking out the door. That became clear fairly early on, since the company is restructuring all over the place and the only other jobs require moving. That's the same for the managers. So it has been very much like 'we're in this together', shopfloor and management. Like the Bruce Springsteen song – 'We take care of our own' – you know what I'm talking about? Like that I think' (Steve).

Managers were able to step resourcefully into the shoes of employees and understand the feelings, and judge the emotional balance, of staff facing such a critical phase in their lives. Counsellor and mentor roles emerged from meaningful discussions of the change scenarios being faced mutually. Relevant personal experience is powerful in such circumstances but more important is a leader who can share coping strategies when in a similar predicament.

'Some of the guidance from HR was a little contradictory to be honest. Once we were told emphatically to not suggest we were facing similar circumstances, since that could be regarded as insensitive by employees who would just compare salaries. However when we went through the change training the trainer suggested articulating the 'shared need' and volunteering your own experience. Anyway, it was the latter that made sense to me since I'm losing my job too and that has helped me

in discussions with employees. They see me on an equal footing to them when the site closes and that's a true reflection of the reality' (Dylan).

An expression of concern for employee welfare allows the employee to reciprocate and can lead to an on-going enhancement of rapport and trust in the manager-employee relationship. Such a demonstration of consideration of employee interests protecting the employee interest nurtures trustworthy behaviour on both sides. An empathetic management approach due to the sharing of personal redundancy circumstances resulted in a genuine managerial interest in employee needs which further helped leaders assess intentions on leaving.

Intuitively, it would seem employees recognised the potential of a relationship and the trust dynamic existing at the time. The author contends that the history associated with the affiliation of team members has a critical role to play, and maturity of connections between staff and managers can be regarded as pivotal. Indeed, recognition of the history of relationships and status of the trustee-trustor dynamic should be a primary consideration for evaluation in any readiness assessment.

'I can't blame the management team for what has happened. It's not their fault and they are losing their jobs too. They are in the same boat as us all. I know some will retire but many are doing that earlier than would've liked I'm sure. I've been impressed by the amount of time they've spent with us and clearly putting our needs first. Sometimes you only need someone to talk to, it's nice to know somebody cares and you're not just a number' (Tessa).

4.2.8 Hasanen theoretical propositions – loosening of managerial control, sense of injustice and vain hope

For most respondents, it would seem the loosening on management control wasn't obvious and most felt that management control had remained the same throughout the three year period. This may be a condition of the highly structured, disciplined and metrics-focused General Electric corporate culture. It was clear that the parent organisation was still being demanding to the closing site, with it identified as a high risk during specific regulatory audits. The site delivered above expectations during these events, reducing the number of regulatory observations, much to the wider organisation's consternation and surprise. With this in mind it's not surprising to find that employees did not see the 'pressure off' at any stage during the three year closure. This is perhaps captured by the response below:

'No loosening that I saw, certainly in terms of EHS and Quality, nothing has changed, nothing for me certainly. Expectations remained the same, with no letting up, partly due to the highly regulated environment that we work in. It's been the same operating rhythm, with meeting and reviews. Some things have evolved during the three years, like HR metrics, because there has been more monitoring there I see – absence, engagement, retention etc.' (Frances).

An opposing but uncommon view is shared below:

'Yes, loosening on control makes sense, it certainly feels that you're more in control of your day to day activities and you feel more responsibility that you're in charge of them and it's your responsibility to carry them out. And because it's a responsibility you've taken on yourself and not been pushed on you, you feel a personal attachment to it. On the second item, yes it's certainly the sort of two fingers up approach almost, sounds correct as well, because you think, well you're closing us down, and I'm going to show you by proving how good we actually are...' (Craig).

It was suggested by some of those interviewed that the strict metrics-driven GE environment may have made the 'loosening of managerial control' more difficult at the Gloucester facility. Added to this the fact that pharmaceutical products were still being manufactured for direct administration to human patients meant that the government regulator (MHRA) also showed a keen interest in developments at the facility. This translated as regular updates of progress versus plan, trending of quality incidents, etc. that had to be provided on a quarterly basis. Those updates were reviewed by senior executives off site since this would obviously be classified as sensitive information and therefore a number of 'sub-goals and metrics' were created to keep a relatively tight leash on site leadership. This is reflected in the following quote:

'I'm sure being part of GE has a lot to do with the environment remaining disciplined.....managers are still having their one-over-one reviews, as a site we still have to submit our metrics that are reviewed at a higher level, so you know that's not changed , and in terms of the regulatory angle I mean I am aware of reports going to the MHRA (Government Regulator) on a regular basis, well that wouldn't happen if we weren't closing, so in a way you could say that the scrutiny is even higher' (Liz).

The assertion that a sense of injustice has a part to play in productivity improvements found some support amongst the employment community. It would seem that although there was wide acceptance that the plant had not been invested in and was therefore a clearer candidate than alternative sites within the supply chain, some animosity existed over the reprieve of the Oslo site – particularly when considering the comparative efforts expended by the Oslo site team. It would seem the organisational memory had recorded the need for the Gloucester site to come to the company's aid in the past when the Oslo site had experienced some operational challenges.

'I mean....I know our site is older but I just believe we're a better team. Oslo are very slow and less responsive than us and that has even been shown during the (technology) transfer. When things go wrong, we have responded but they don't seem to want to react the same way, very little urgency with them. They're more laid back about things – it's the Norwegian way. They've cocked a few things up, that's

for sure, and this site team has been there to mop it all up in the past. I'd like to see how the company copes now....' (Charlie).

'Yeah, some injustice I'd say but that's less important now. Personally, I reckon the company has made the decision to close the wrong site even if there is more money required to keep us. The Oslo site has newer plant but they don't have the same spirit as us, I reckon we do a lot more with less people than they do. I hear stories of them starting late, finishing early and having long breaks. Great for the staff, that...but not great for the company when it has to get products out the door (John).

'Ummm...yeah...there is some of that I think. You know, a response which says we'll show you what you're missing. We'll show you how good we are. Not just in reaction to the announcement but because we're a good team and you want to be remembered that way...not sulking...you know what I mean?' (Tony).

The 'vain hope' found less resonance amongst the staff. In the very early period post announcement, staff suggested there had been some belief that the complexity of the technology transfer could scupper the company plans. In addition, there seemed to be less faith in the recipient site, Oslo, hitting the required milestones for technology transfer. For the staff questioned, this translated as a risk to the timescales being achieved, as opposed to the decision being reversed completely. A small number (10%, n=2) of the sample felt that there was an incredibly remote chance of the decision being reversed, but also concluded that more time that has elapsed the less the possibility of the closure being halted. Importantly, there seemed to be little suggestion that such a factor had a credible influence on the high standards of performance during the three-year countdown period.

"I wanted to walk out of there with my head held high in professional terms, so my contribution was about that and not working hard in the hope the site would stay open. Ironically, that wouldn't have worked as well for many the people here anyway. I liked the slide shown by management on Covey's Circle of Concern and Circle of Influence – it explains that you should focus on what you have control and influence on – the rest is wasted energy. The vain hope you talk about, for me, is wasted energy' (Florence).

'Seems to me that the company had gone into some real detail before making the decision, so the site performing well wasn't going to change that decision. Once the decision was made I didn't think it was going to change and I can't tell you that the possibility of that in any way impacted the way I worked. I worked hard and professionally because of me and the team, that's all' (Craig).

The small number sample suggesting otherwise offered a subtly different view:

'The way I look at it is that the site has to be performing well to have the company consider changing its mind if they were ever going to. So I think the vain hope is a

subconscious thing, you know, not something that's immediately in your face but working away in the background. If I make sense?' (John).

The vain hope seems to have a tenuous relationship with the productivity advances in this case study, unless the 'subconscious' action mentioned by the interviewee above actually has some premise. It would be logical to assume that a site underperforming, with declining productivity and quality risks would receive more senior management attention. Likely outcomes would be an acceleration of the closure with some financial and supply consequences for the company. A site performing well would lead to an agnostic approach by senior management, whereby the site is left alone, and this would seem to be the desire of the site management team. Alternatively, there are cases such as those reported in Kongsbak (2010), where sites destined for closure transformed themselves in terms of productivity and led senior management to reconsider the shutdown.

4.3 RQ2: How applicable are existing change management models to shutdown scenarios?

The second element of the research enquiry explores the applicability of existing knowledge of change management. The literature review has looked at the evolution of change management and described the planned, emergent and contingent paradigms. This exploration has surfaced the importance of trust, culture and antecedent experiences of management as key contextual factors for consideration in the application of any change management model. The case in question concerned a management team that was initially offered a planned change model in the form of GE CAP, the company branded model which was initiated at outset of the closure process. A review of the support and communication strategy executed is undertaken within the framework of social responsibility which provides an ethical lens in the face of a challenging management task.

4.3.1 Company culture and its impact

Although the GE environment is quite prescriptive for managers, there will always be some individuality of approach to managing people, processes and projects. Management training within GE is revered (Garvin 2000) and falls into three distinct categories – management development programs, focused workshops to deliver companywide initiatives such as cycle time reduction or quality management, and then broad-based improvement programs designed to produce fundamental work practice and behavioural change. Managers at the site had undergone such training. One training program in particular was mentioned in the context of the closure during interviews. The training program mentioned was that of CAP (Change Acceleration Process), which was used to frame the changes expected over the three-year closure. One comment described the relative impact of this training initiative:

'At the outset, we as a management team were taken off-site to use the CAP model to scope the changes required at the site over the three years. The program helped define the management role, the management team responsibilities and the vision. It helped that it was off-site and that genuine expression of feelings was encouraged. For me in particular, to have an overall vision statement was important. What was critical is that the vision, the mission and strategy were created by the team. That made it something I owned' (Dylan).

It would seem that most managers valued the three days investment off-site that was made at a critical time for the site for this specific purpose. The model allows for the use of certain tools in the context of leading change, shaping a vision, creating the shared need, mobilising commitment, and making change last. This would seem to have provided the managers with a framework to the ensuing discussions with employees and provided something of a roadmap which was valued in a current and prospective sense:

'The CAP model has been very useful and can be applied to any change, in my opinion. It helped me crystallise my thoughts on what the next steps were and what I needed to do as a manager. I think this is a tool I'll use in my next role outside of GE. I'm glad I've had this training and have actually been able to use it. In my interviews, I have used this as an experience of applying a tried and tested model to what could have been an adversarial change if insensitively handled' (Jane).

'I haven't got that close to my guys as far as checking their pulse and their emotional view as far as the site is concerned. As individuals, they're all at different stages, one is past 60 now, he's seen this as a great opportunity, as closure, part of a retirement package. Two of the younger lads have seen it as a step up on their CV to something higher, I think they would've have moved on anyway, because of their geographical locations to the site, the others I think they'd stop until the end of time. It's convenient to them, it's on their doorstep and I go back to think, I don't think the reality has hit them about what they're going to do once the site actually closes' (Jim).

Many managers resonated with the fact that being part of a US multinational made the site more likely to close. The reasons offered for such a view were that the asset base is much larger than the original UK Company and those making decisions were remote from the plants and people affected. This view is borne out by the research of Bernard and Jensen (2006) who found that plants owned by US multinationals are more likely to close when compared to other multi-unit firms in different locations.

4.3.2 The Psychological Transition

Many recounted the terms used in the Bridges (2007) model below (this was used in some of the HR presentations to staff following the announcement):

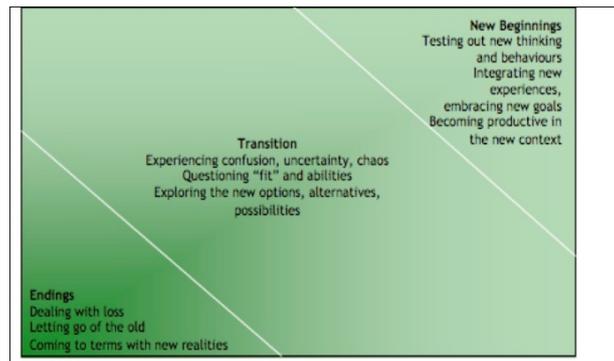


Figure 18: The Bridges (1991) Transitions Model

The change involved ‘letting go’ of the notion of security and the possibility of a long career in one company. Although some suggested they were willing to explore careers within the wider GE, most asserted that they needed to stay in Gloucestershire and within reasonable commuting distance of their homes. After the initial shock, most acknowledged that there was some degree of frustration around the fact that the site had been chosen for closure ahead of the more expensive and less efficient (or so staff believed) Oslo facility. Much of this ‘sense-making’ was done in work groups and some comments were raised regarding the underinvestment in the facility and whether that might be the reason for closure, as opposed to the under-capacity for the scanning agent products within the supply chain. This fits with the ‘frustration’ element and some of those interviewed recognised that and felt that using the change curve in a management presentation helped themselves navigate the change and understand the emotions they experienced. Others suggested that it helped them recognise the phases of personal change in others. One respondent shared the following:

‘...he just ranted and raved, but he is somebody that does that anyway, but this time he really stomped his feet and showed off, this all came at the wrong time for him personally. However, this is way that he deals with disappointment, that’s his personality’ (Charlie).

This type of frustration exhibited in front of others was uncommon, according to those interviewed. Most made sense of the change they were facing by discussion with friends and colleagues and consideration of the various financial and career support packages on offer. The speed at which each individual navigated the change curve was highly individual and highly dependent on circumstances. One retiring manager reflected:

‘I don’t know what to feel, since I’ve never been in this situation before and I never will again. I’m closing down a site, transferring items across to Norway. I helped build this site up now I’m taking apart what I spent hours and toil actually putting together’ (Jim).

A younger employee shared his concerns regarding his wider family:

‘You sort of put a bit of a brave face on, because you don’t want to make them (the family) worry more, even though you’re panicking inside, you just try to allay their fears and say everything is going to be fine and you’re putting these steps in place to sort of make your future ok. But yeah, there’s a few nights where you sort of, that sort of bit where you’re trying to go to sleep, lying in bed with your eyes open, worrying’ (Adam).

The Kübler-Ross (1973) change curve (illustrated in Figure 19) was considered by the author a practical model for aiding employees’ understanding of change and its emotional impact at the individual level.

The Kübler-Ross change curve

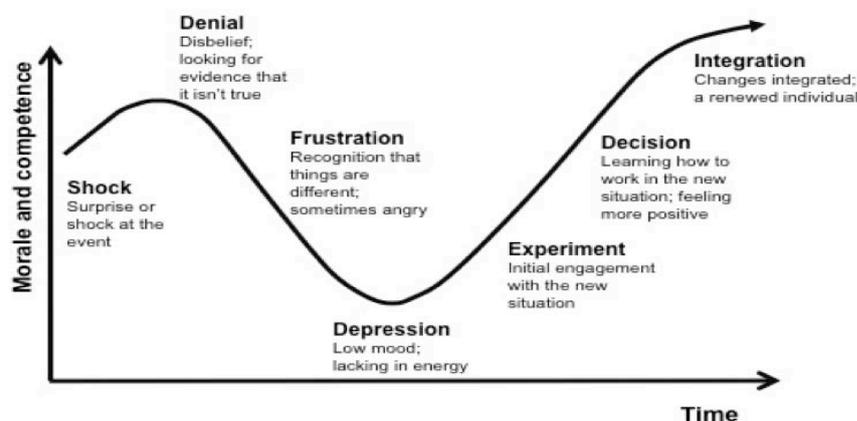


Figure 19 : The Kübler-Ross Change Curve

The author also found a simplification of the framework appropriate for articulating and portraying the individual and collective responses during the closure event. These responses are summarised in Tables 6 and 7 below.

Table 6 : Respondent statements by Kübler-Ross (1973) phase – Individual Level

Frustration & Anger	Bargaining & Depression
This is so wrong! It should have been Oslo – we’re better than them! They won’t be able to do what we’ve done. This is a real kick in the teeth.	What’s in it for me? They better treat me well. I think this is actually going to happen. It’s all very sad for me and what I’m losing. What will I do?
Shock & Denial	Acceptance, commitment & moving on
Why me? What about my contribution &	How can I make myself more

loyalty? Is this really happening? I should've seen the signals? I don't believe this is happening.	marketable? At least I need not worry about the bills for a little while. Let's keep the vultures away and make our life as painless as possible.
--	---

Table 7: Respondent statements by Kübler-Ross (1973) phase – Collective Level

Frustration & Anger	Bargaining & Depression
I figure we'd been a good team for the company and the decision in favour of Oslo felt unfair. In way, as we talked more, it felt like we were not respected for the contribution that had been made. What frustrated me was that the corporate decisions have been made in favour of the country where HQ is based – that felt wrong!	I was looking at what actions were management taking to make it fair? I was interested in what support was being made available for the Gloucester team. I wanted to know how useful the support was to us all, on the whole, this was good? A lot of people took advantage of the career support and assessments, I liked the training courses.
Shock & Denial	Acceptance, commitment & moving on
When announced a few people said this was always going to happen. At the time I felt the site wasn't respected for what it has done. I number of people were in a 'told you so' mind-set. During that time much of the discussions were around 'are you staying or going now?'	This is a teamy place so as a team we did our best to look after each other. People were aware that 'keeping our noses clean' would mean fewer visits and audits, which would make our lives easier. As a team we are a tight unit and we worked well to cover during training events or get the work done. In terms of management, they did help and understand. We can trust them, after all they're in the 'same boat' aren't they?

It would seem that at the collective level, after periods of shock and frustration, staff looked to maximise their effectiveness by delivering and lowering the need for oversight. Management direction certainly had a role to play, as it was explained that any deterioration in quality of product would invite unwanted corporate and regulator attention. Increasing cooperation and collaboration was needed to exploit time

required for training and deliver on quality requirements for products manufactured at the facility.

4.3.3 Change management model applied

As noted above, for the closure in question training was given to the management team in application of GE's in-house change acceleration process (CAP) model, so the leadership team had some structure for the closure event. Accepted as a model based around the planned genre, some managers had limited experience of use of the system. The change acceleration process reflects the corporate environment, which is one of highly structured processes and measurement. In fact one might expect an established blueprint in an organisation which has closed hundreds of facilities. As one manager reflected:

'It is a surprising for me that there is no "facility closure manual", it does feel like we've made this up as we've gone along. The CAP training did give us the basics but I actually thought the opportunity for the management team to be together for three days was more valuable than anything. GE must do this a lot and there didn't seem to be much available in all honesty' (Dylan).

Others felt the CAP training helped them in their own leadership challenge in preparing the closure activity as the team embarked on the proposition of concluding the site's contribution to the company;

'I enjoyed the CAP training and used elements of it with my team, it's a good checklist for what to do and I'll use this in the future. The other theories such as the change curve and the psychological transitions people go through also helped. I think that (curve) pretty much played itself out at the site' (Sam).

On reflection, it would seem the GE CAP framework is embedded in company culture and is used for a plethora of changes and considered a management staple with the organisation, along with six sigma, lean and a series of management courses based on the 'GE leadership way'. However, as the closure unfolded, it became clear that rather than a series of linear events which would be predictably phased, a change process is more fluid, iterative and continuous even in a site closure scenario where a clear ending can be articulated.

'We had to adapt as a team and not be too rigid with things like communication plans. Some asked for more communication, others said it was boring because at some stages the transfer made for technical updates. The CAP training would have you think the vision is something that anchors everyone and remains constant, but it doesn't really. Things change. Batches fail. People change their thoughts. Everyone is changing, literally. Some saw that as a signal that there might be an extension or decision reversed. I certainly wouldn't have wanted that' (Tessa).

As mentioned previously, in practical terms an emergent approach was taken since the management had a degree of independence and therefore the process, rather than being a vehicle of domination, became more a 'democracy of enactment' (Burnes 2009), where through acceptance of the change the ability to contribute became available to all, through accessible management.

The CAP model is generic and used to manage many types of project, including IT implementation, Six Sigma improvement project, through to major restructuring projects. In the case of IT implementation and a Six Sigma improvement project, the value of considering the 'softer management' aspects is clear. To a major restructuring initiative this model may also demonstrate to leadership the need to embrace the psychology of change but the 'one size fits all' change model can lose connection to the change context due to its expedience.

Managers were responsible for executing the closure plan but often had to consider themselves facing the loss of more than the job itself. For many managers, loss of status, empire and identity, whilst grappling with the emotional challenges of a closure event, presented the most charged of managerial tasks. The fact that many reverted to the 'servant leader' concept, whereby those that work for them were asked how they could be helped, led to higher trust relationships. The employees drew a clear differentiation between local leadership, considered more approachable, and senior corporate management, who were seen as distant, and thus made sense of the closure collectively. Communication then became an even more important part of the leadership offering but changed from site briefing events to 1-to-1 tailored and intimate discussions. This was seen as key, as employees shaped their contributions to form their part in the ownership of how events unfolded at the shop floor level.

As previously suggested, the timelines between announcement and exit provide an important context for the study in two respects. Firstly the fact that the management intention to close the facility was shared so soon after the decision had been made, engendered a degree of trust within the employee population. The author had an external example whereby this intention was not initially shared, but as plans to transfer products were made the news leaked, resulting in employees in uproar and trust never regained. Secondly, such a significant notice period gave the staff and opportunity to plan and fully utilise the support resources on offer. This ability to get one's 'house in order' has some real parallels with research on dying, where a prognosis with a longer period of survival allows patients the dignity of getting their 'houses in order' or completing their 'bucket list', depending on their physical ability.

What is apparent to the author is that change is messier than the CAP model might suggest and that the multiple personalities that make up an organisation are not freezing and unfreezing at uniform rates. This level of emotional complexity contained within a site closure as populations transition from the 'way things were' to the new order requires agility, patience and a mind-set that embraces ambiguity and

uncertainty with flexibility of response. Rather than looking for ‘one best way’ to close a facility, we should be looking for the ‘best way to close each facility’.

4.4 RQ3: What are the impacts of leadership approach and management actions during a facility closure?

The third element of the research enquiry is concerned with the subject of leadership approach adopted in the context of a management closure. It becomes clear that this is very much a management choice and the object of a brokering process between local and senior off-site management. The off-site decision makers choose to close the plant, identify timing of announcement and guide the philosophy of the closure. The local management team execute the closure plan ‘on the ground’ and are afforded some discretion which can be used to effectively influence experience and outcomes for the site population, whether positively or negatively. Having a group of managers who feel they had been treated fairly by the company led to the adoption of a servant leadership style in the case – a transition which is discussed below, with a mixture of management and employee contributions.

4.4.1 Management actions & productivity outcomes

There was a perception by employees that managers kept a clear focus on the wider company metrics and certainly maintained the management operating system. This embraced all of the housekeeping checks at a floor level and then all of the process operating reviews for safety, delivery, quality and cost. It was felt that there was little evidence of slackening in this area and that the stringent requirements of the parent company were a reason as to why there could be no slacking off in this area. GE has an operating system that requires all sites to upload metrics to regional and global dashboards at a predetermined frequency to manage ‘outliers’ and to react quickly to any concerning trends. Most respondents felt the ‘business as usual’ approach was adopted by the management team who were under pressure to ensure that quality and productivity standards were maintained:

‘The management team were taken away to an off-site, where it was explained there could be risks to retention of employees but the company expectations regarding maintenance of quality standards would remain. Locally it was accepted that the products being manufactured were being injected into humans and that no manager would want a slide in quality that resulted in a major quality incident. For me, it wasn’t so much about the company’s reputation it was about my professional reputation, I’d want to walk out with my head held high’ (John).

At the operator level very little change was seen to scheduled workload early on in the closure, especially since volumes actually increased marginally to support the technology transfer work. It was also clear that quality expectation with regard to performance reviews, internal audits and product standards was maintained and maybe even heightened:

'It's only in the last few months that we've seen any kind of slackening in terms of workload. The schedules have been as busy as usual. We've even picked up some of the Oslo volume for a temporary period, which grates a little when you consider the fact that we're the site that is closing! I have concerns that they'll be as reliable at Gloucester but that's not any of my concern now. When it comes to quality, the GQC (Global Quality Compliance) audits have been tough and I would suggest they've been tougher on us than if we had not been closing. I don't see why, there's no slackening of standards but I just think they're trying to make the point that GE has us on the 'watch list'. I think Gloucester management have been keen to maintain standards whilst the external GE keep a stranglehold on us and have maybe even tightened their grip' (Frances).

This view was supported by local management:

'GQC has a tough reputation and they're not here to make any friends but in the last two audits they have been very dogmatic. You usually find one of the auditors would be pragmatic but it's obvious they see us as a higher risk now because of the closure. We haven't seen what they might have expected, higher turnover of staff, rising costs, increasing defects or evidence of non-compliance and we know that for sure because we're monitoring it. They may think it's because of them, but it's not – we want to go out with our heads held high, it's about my own values and work standards' (Jim).

However, there was some acceptance that, although the same high standards were demanded of the work teams, that managers took a subtly different approach. Whether by design or not it would seem that staff noticed a shift toward more autonomy at a team level, this is captured by the following quotation:

'Yeah, it certainly feels that you're sort of a bit more in control of your day to day activities and you feel personal responsibility that you're in charge of them and its your responsibility then to make sure they are carried out. And because it's a responsibility that you've taken on yourself and not been pushed on you, you feel a personal attachment to it' (Tony).

'No one wants to make a silly mistake now because of the attention it would draw and the concerns that would be raised. We know we are under the microscope and the best way for an easy life is to carry on delivering. We look out for each other as a team and work well together, it's been important to keep the same unit together since we know each other's' strengths and weaknesses. I think we've worked as team the best we ever had, it's been a peak experience in sporting terms' (Craig).

'When I started, before the announcement, it was only a week, two weeks, but we haven't really changed, we're still business as usual, yeah we are closing, but we still get on with it, what we're doing is important and we need to get it right. I think change, it hasn't changed that much, as a perspective of product-wise, we're doing everything the same, gradually getting slower, but, yeah, the change has been pretty

good I think. It's not affected that much as it could have. It's actually been run quite well by the company' (John).

In this respect, the employees seemed to thrive on the responsibility and actually enjoyed it, stating they made their discretionary efforts because they were part of a team and not because of the manager. They figured that not contributing was a way of letting their teammates down, as opposed to the company.

Being regarded as cared for in terms of the financial retention was regarded as a key measure of the company identifying the worrying aspects of job loss. It is suggested having this aspect of the offering settled and agreed allows for a focus on business delivery.

'The financial incentive is good, for sure. You know that you'll get that at the end of this so it's worth staying for. More importantly in terms of your question, though, I think it helps you focus on the "job in hand". You can relax a bit, you know? The finances are less of an issue for a bit. If I was worried about how I'd pay the bills in the end, I'd be worried all the time, you know? Doesn't mean closing is perfect but it means were looked after. That's something at least, you know?' (Adam).

The worker-manager relationship to some extent is exposed by the following comment:

I think if I don't pull my weight I'm going to leave somebody else to do it, so it's almost, you sort of do the work to keep your friend ..(pauses).. do the work to sort of keep up with your friends because you don't want to land them in trouble' (Jim).

Firstly, the camaraderie of the relationship with the co-worker is discussed but also followed by the recognition that there is still a type of punitive management response likely if the required standards aren't maintained. Many respondents described the site as becoming more 'teamy' (sic) as the site progressed through the various stages of closure. The power of everyone being in a similar position and the community 'being in this together', as one member of the group put it, helped those navigating their way through their own personal changes to connect with the wider team.

With respect to the loosening of managerial control, it would seem that in many cases there was no slackening in this regard, particularly with regard to performance management, as one operator recounts:

'Disciplinary warnings continue and you would've thought that would've stopped. It just continues – a disciplinary for this and disciplinary for that. No one keeps it secret and I think it brings employees down. In our area I think it's gone a little bit extreme on sickness' (Charlie).

When interviewing managers, there did not seem to be any recognition of the loosening of control concept in a purposeful sense. When asked whether this may

have occurred naturally, the response seemed to be lukewarm, with the suggestion that the parent company, with its stringent operation requirements would not allow such a step back.

'It's clear that GE isn't the type of company that budges one iota on its requirements on quality, cost and most importantly safety. I know that some people see a 'jobsworth' mentality with all the checklists required for upward reporting but that's how the company makes sure things are done. I'm pleased that hasn't changed during the closedown. I happen to think it's more important now to maintain that approach when you consider the number of contractors around. Management has to maintain control' (Liz).

It is also noted that although a 'managerial retreat' in terms of expectations and standards is not found in the case, the sense of injustice and vain hope do find some resonance in the staff at the facility.

'I reckon that it was unfair we were chosen instead of Oslo but the writing had been on the wall since the GE takeover, I reckon. It's just the way things are, you know. We all know that one of the people making the decision on which site to close is based in Oslo and is a Norwegian! How obvious is it? He was totally biased. I've not been there but plenty have been there on the project and that's an expensive place to live and work. This site is a better site, I reckon. I'm not the only one, we're a better team, so yes I don't think the company is closing the right site' (Steve).

Although it would seem that a tried and tested change management model was put to work and actively embraced by managers, some variance in performance in comparison to pre-closure environment was perceived. It was noted that earlier on in the 3 year cycle, the comparison was more favourable and that some employees required a little more motivating in the final year. This was summarised as follows:

'In this final year, I do detect a slight change in focus if I'm being honest here. I actually sense a lack of energy, only slight, but you know when something needs doing then people do act. The adrenalin kicks in and the team responds. However, in the day-to-day, longer term projects seem less important and then the energy has dropped off' (Florence).

With reference to the operating reviews held at the facility there would seem to be objective evidence of an actual performance improvement during this period. Review of company performance records show a maintenance or indeed improvement in monitored areas of employee safety, quality outcomes from regulatory audits and cost efficiencies at the facility.

In this respect the site experienced a 32 month period without a lost time accident (LTA) at the facility with compared to an average of 1 LTA each 18 months on average from 2004 onward. When compensating for total number of hours worked this still demonstrates an 56% improvement. It would seem this was very much a

result of proactive safety leadership where activities were appropriately risk-assessed in the context of a different operating system at the facility (combining routine production, technology transfer and decommissioning activity). Objective performance improvements were noted at the facility, including:

- 56% improvement in the LTA rate (employee safety).
- On Time Delivery (OTD) improved by 5 percentage points to 97% (customer service).
- Vials produced per head increased by 12.5% (employee productivity).
- Government audit outcomes reduced by 50% in year 2 and then all major findings eliminated by year 3 (product quality).

Employees seemed keen to emphasise that they had been taking more control of their own work output and quality. However, this wasn't the product of a supposed managerial retreat, since the management housekeeping and metrics were maintained. There was a clear acceptance that managers had adopted more of a coaching approach, due to some training investments.

'I know that you mean about the site operating at a higher level. It's felt that way. I liken it to when a football team has got nothing to lose and ends up playing its best football, that can happen cos the pressure is off. I think that's played a part and also the fact that we've been trained in things like lean and six sigma which means you take more responsibility for your process. Your manager becomes a bit more of a coach' (Craig).

'I certainly haven't stepped away. I've kept my standards high and to be honest the employees have gone past my expectations. They've set their own mini-goals and have been real achievers. I'm proud of them. I've got closer to them since I direct less but encourage and coach more – they might be working at a closing site but they don't show it in their attitude. This is some of the best work cooperation in the department we've ever seen' (Dylan).

Some managers reported some loss of leverage with employees when it came to discipline and motivation. There was some sense that employees would respond with more discretionary effort when the manager might have some influence on their career. This influence waned the more the closure period reduced and maybe that can be explained by certain employees having a focus outside of the organisation. Managers were keen to point out that this was very much the exception rather than the rule. This is illustrated by the following comments:

'I think up to a point perhaps certain leverage that a manager may have had in the longer term is now gone, but it's not that evident so I haven't seen much of it, I think just maybe just for me certainly in the last couple of weeks, one or two individuals

have been less engaged and responsive. This is the final phase, though. For most though, they've been professional to the very end' (Sue).

4.4.2 The importance of trust in closure scenarios

Employees would seem to judge management actions with the yardstick of equity and fairness. The facility closure is a unique situation in comparison to other restructuring events in that it affects the entire community and that would seem to make a difference. In this particular closure, a genuine demonstration of emotion by the executive team on announcement was noted by those interviewed. That would seem to foster an environment of management-employee trust, as exemplified by the following comment:

'I would say, from my point of view, that the psychological contract between manager and employee wasn't broken by the announcement. It was evident that the leadership who announced that both of you did not want to do it, you both felt awful at having to make the announcement and your direction was coming from up above and there was not much you could do about it, you were just delivering a message and you were going to have to do the job. For me, this stems back to 2004 when GE acquired the company, since all the talk then was that they would come in, cut out the costs, close sites, they had that sort of reputation' (Frances).

The interpretation and perception of the employees interviewed was that this was being 'done unto' the community as opposed to a decision from the executives on the day. The other powerful aspect was that the leadership team were seen as being in the 'same boat' and were also placed at risk of redundancy, evidenced by the following comment:

'Working for GE is a double-edged sword, really. They're a success because of the strong actions they take but you can end up being one of the consequences of those tough decisions. I don't connect that decision to local leadership, though, I mean they are in the same boat, aren't they? You as the site leader have to get a job done, but you're still impacted as an individual, I don't ever forget that' (Craig).

4.4.2.1 Antecedent experiences and cultural context

As Gill (2003) suggested, local organisation knowledge is important in creating trust and shared values at a time of organisational change. The leaders in question certainly had this organisational knowledge from their management tenure and were cognisant of compelling site contributions to the business having been made prior to the announcement.

What was also apparent was that the size of the site at under 100 employees, fostered a sense of community that allowed for ease of communication and sharing of news as it occurred. As one manager put it:

'This is a site you can put your arms around. If you need to speak to the site you can do it without the logistical nightmares of shifts and huge numbers. There are under 100 people here and virtually everybody knows each other and that familiarity helps in the situations we've faced. Like a family. It gives an almost informal feel to the place that you don't get in the bigger GE sites' (Barry).

An employee articulated this in an alternative way:

'On a serious note I think the organisation makes a huge difference to the feelings experienced. Smaller sites for example you feel more recognised, more than just a number. I think also after the announcement, you realise what you're losing. OK, we all moan about the work struggle but personally now I realise the culture and teamwork we have here is quite special. But in any role the level of communication, involvement and leadership plays a massive part. For example if (a manager is named) hadn't have been my manager, my experience would have been so much different, she was a saviour for me' (Florence).

This provides some endorsement for the intimacy of the manager-subordinate relationship and also culture created by an employee-centric approach. Importantly, the dimension of a smaller site should be considered with respect to the community spirit into which the closure task was introduced.

The employee perception of management actions with reference to their well-being emerges as an important theme. In this regard, staff valued frequent communication in various forms as a way of understanding the relative progress of closure objectives.

'You need to know how the project is doing, because that can help in knowing whether things are going wrong or if there are any changes. I didn't think Oslo would be perfect, so the tech transfer was my real focus during the briefings. I thought it worked well but not everyone is going to read every newsletter' (Tessa).

The relatively generous severance package was associated with feelings of security and well-being amongst employees. In addition, the employee perspective of their own employability was correlated with personal well-being. The company offered support in the form of job search and preparation but the employee view of their own potential in the market place was also accepted as being key in regard to securing employment.

'You can't fault the company in terms of the support for finding a new job. I learnt things about myself that I never knew beforehand in terms of transferable skills and all that. It does make you think differently about what else is available. Of course, the redundancy cash means there isn't the urgency to find a job that would exist if that wasn't there. A double edged sword, I suppose isn't it?' (Sam).

Views and feelings about experiences of employees were explored, within the context of the formation of perceptions. There was some acceptance that a shift in the employment relationship due to the change in status of the site to a closing facility. However, a differentiation between the external and local management team was identified. It is apparent that the historical relationship is a key determinant in how trusted the management team actually is. The relatively high level of trust was built on a record of amicable and positive relationships in the past.

'I know where I stand with (manager X) because we've worked together for a bloody long time, you know. He don't suffer fools and I quite like that. You work hard and he recognises that and if you're a shirker he'll call you on it too. The whole team respects him because he knows his stuff and when he talks to people from inside and outside listen. During the closure he's remained consistent and has continued to be straight talking and I appreciate that. Yeah, I suppose it's about trust and I do trust him. I mean, this isn't his fault is it?' (Jeff).

4.4.2.2 Concept of vulnerability

Employee perceptions of management actions in a broader sense were explored and there is a suggestion that management actions can drive positive and negative employee behaviours. The categories of management actions regarded as important in the context of influencing employee behaviour are:

- Explanation of why the site was closing.
- Managers being fair across all departments.
- Constancy of actions associated with closing plans.
- The phasing of employee releases.
- Commitment to financial and development incentives.
- Timely feedback on progress.

During the closure event the employees provided positive feedback that affirmative management actions in this area supported the continuing trust of the management team.

'We don't blame the management team for the closure, we can't because they didn't make the decision. I mean they're impacted too, you know. So for me, it's all been about looking toward them for leadership and because so many of the management team have been here for donkeys' years we know enough about them. So they are trusted and they haven't changed in that respect since the closure, if anything they're trusted more because they're part of the Gloucester team. I wouldn't say I trust that manager and the executive team from HQ in the same way because it's just a job they have to do in their eyes. There again, they have provided a good financial incentive which I am grateful for' (Frances).

The role of management in developing an environment of trust was discussed and the investment managers made in building relationships with employees through additional individual meetings was valued. Employees derived a feeling of stronger connection with the manager and felt that the manager cared not only about immediate well-being and contributions but also about the longer term plans of the employee. The action of managers in connecting regularly with employees cannot be underestimated in its ability to build and then strengthen relationships, and ultimately trust, between the two parties.

'In my case, I definitely got closer to (manager Y) during the closure and I felt there was more of an interest in my plans on her part. I don't know why but I see her in a different way because of all of this. She has given me some good advice and I will use it. Being closer to her also helped during run of the mill problems during the closure because she listened and then done(sic) something about it. It's not an easy job being a manager but she created the time to talk and I've really opened up about my plans in healthcare and she's supported my training and everything. I certainly trust her judgement and experience' (Tessa).

Although the management decision to close was naturally unpopular, employees regarded themselves as having been handled with dignity and respect through strong financial inducements, fair processes and clear reasoning behind the closure decision. A communication process whereby employee views were listened to, and staff actively encouraged to share personal concerns, was also well received and it was felt that such efforts were sincere. Such management investments have been regarded as correlated with managerial trust and this would be seen to be borne out in the research.

'My manager showed genuine interest in what my plans after the closure were. At first, I was quite uncomfortable because, being honest I wasn't entirely sure what I was going to do. I even thought about staying GE. But as time wore on, it became clearer to me that I needed to stay in the industry since I've got a lot of experience that I wouldn't want to waste. I'm also a little old to start all over again. So my manager has given me good advice, I've been really open with him and he seems to have good ideas and contacts. It's case of feeling more confident to share things with my manager and I've been at that stage for a while. I suppose that's trust isn't it? Having faith in the person and knowing I'm getting something out of the conversation' (Adam).

The site did not suffer militant and disruptive responses to the announcement and during the management processes that followed. The author suggests that the previous history and levels of trust between employee and management helped provide a constructive platform from which a process of positive reinforcement could ensue. Many employees referred to what they considered the positive intentions and behaviours of their manager. Employee belief in integrity of management, and the competence of the advice and counsel received, can be considered fundamental

determinants in the creation of the trusting relationship. During the closure it would seem that employees allowed themselves to become more vulnerable in sharing of long term plans. This may well have not been practical in other circumstances where staff would not share long term aspirations outside the current employer. In classic work environments, managers are charged with responsibilities around retention within the current company and not developing paths outside the organisation. The novel activity of exploring this extrinsic future creates a different relationship dynamic, which heralds potential vulnerability on the part of the employee. The trustworthiness of the manager can grow relatively, since there is an authentic need for counsel from some source as the employee transitions to the external future. There is a clear opportunity for strengthening of the relationship and it is clear that this happened in a number of cases.

The site closure may present such unprecedented opportunities for both employees and managers, but the propensity to trust is driven by previous experiences in the workplace. As the closure progressed, it is suggested that more opportunities presented themselves. The historical managerial relationship with employees did influence the initial levels of engagement with the leadership team. Positive experiences at the site made approaches to management easier and more likely. The 'trust dilemma' (Bacharach and Gaubetta 2001) discussed in the literature review has relevance in this case, in that it played itself out as an iterative process of evaluation by employees, which provided benefits for them in terms of guidance and self-confidence. It may be that a closure offers a set of circumstances that are conducive to trust building, in that both employees and managers are placed in similar vulnerable circumstances related to impending redundancy. As such the context is of critical importance in understanding the relationship dynamic.

'If it hadn't been for the closure, I don't think we would've talked about half the things we did. I just don't think it would come natural to us but the circumstances somehow made it feel different. I see her as in the same boat as me, she's losing her job too although she might be in a different financial position, I'd reckon. Whatever, it has been right that I've got on with her and I respect her advice, I do feel she's looking out for me' (Florence).

4.4.2.3 Impact and symbolism of surveillance

The aspect of company surveillance was explored with staff and local management. It was accepted that a shutdown announcement attracts corporate management attention in response to potential quality and supply hazards. This corporate attention was interpreted as distrust of the site team and actually served the purpose of uniting the site community. There seemed to be an implicit understanding that higher levels of cooperation would be required to avert stifling corporate attention. As a result, higher levels of discretionary effort are generated, as teams collaborate and organise to enable the site to avoid constant corporate visits expected at a site of ongoing concern. As a result there was no implied threat of 'working to rule',

furthermore the company had no need to increase monitoring levels. There are obvious benefits in the form of reduced monitoring for finite corporate resources but importantly the site team is afforded some room for manoeuvre and relative autonomy.

'Let's be clear about this, the company has got a tough reputation and we all know what the corporate teams are like. They ask constant questions, call countless meetings and are constantly breathing down your neck, they certainly don't trust you. We had it with GQC (Global Quality Compliance – a corporate quality oversight group) and they are relentless in their requirement for data and evidence. They got us prepared for the FDA audit (Food & Drug Administration) and us (sic) passing that gave us a reprieve. We knew what we had to do. After that, they started to relax and left us to our own devices and that's where we all wanted to be' (John).

In essence, the research suggests there is an understanding that employees and managers can instrumentally collaborate to provide a dialling back of the proposed corporate oversight. The company cannot afford the negative consequences of poorly motivated employees in a low morale environment presenting a business risk in the form of poor quality and/or supply risks. Once this risk is mitigated, then senior leadership will naturally turn their attention elsewhere. This then allows for the local management team to exercise some freedom of operation, managing upwards and allowing pragmatism. Employees reported higher levels of engagement as a result of management flexibility, particularly when time was created for training that in normal circumstances they would not have been able to attend.

Employee trust of management is undoubtedly an important facet of determining how a site shutdown unfolds and what the nature of the experience is like for all those impacted. A high trust environment existed in the case as reported by both managers and employees. There was some distrust of the motives of external leadership but this helped forge a singular collaborative identity for the site team. Employees perceived local management actions as genuine and sincere and in their best interests. The manager experience indicates that they felt trusted and offered more of themselves in the respect of advice and counsel. That relationships strengthened between the two groups during the shutdown is a clear indicator of the building of trust. The definition of trust as 'willingness to be vulnerable to actions of another party' is apt in the circumstances presented by complete site shutdown. Self-interest could well have been the order of the day but in this case it is clear that more cooperation and collaboration occurred. A positive managerial experience of higher levels of performance, non-existent turnover and a positive work environment manifested itself. Regular, open and visible management communications were regarded as important, with many employees noting that the site leader had shared more than senior management had approved him to do. Justifications for the reasons behind the closure were generally accepted, with some reservations around the suitability of the recipient site in Oslo. The fact that this reasoning was, on the whole, accepted by the workforce is an important consideration, since the decision

offers a key reference point for employees. Management are viewed through a lens of fairness and equity and employees were keen to ensure that treatment of staff was consistent across the site. Employee representative groups helped with the framing of consistency for the site leader and also surfacing concerns. The site closure management process requires the articulation of a shared need to act and that certainly existed at the site. Employees effectively used the prior notification period and managers were commended for the handling of the phased exit of employees and further supporting impacted employees. The initial existence of, and further emergence of, trust as a pivotal factor in the site shutdown is a clear and compelling finding.

4.4.3 Perceptions of a socially responsible closure

Employee and manager perceptions of social responsibility in a closure program were explored. The support areas of finances, redeployment, business start-up, career counselling, skills training, and financial advice were considered. Particular focus was placed on management actions and the value associated with the offerings provided by the company and administered by local management. One area not discussed in this section but discussed previously, is the importance of notice period which is covered in employee experience. Notice period, along with financial incentives and the developmental (training, career counselling etc) aspects are fundamental pillars of social responsibility in closures (Rydell and Wigblad 2012)

4.4.3.1 Understanding social responsibility

Feedback during interviews demonstrates that employees believe that management actions have considered the needs of the employees impacted due to the closure decision. Notably, there was an overt appreciation of the employee support packages for the site closure, in the form of career counselling, skills investment, redeployment, and financial advice for employees facing redundancy as part of the site closure. The Gloucester site employees received support in these areas and were the recipients of generous financial incentives to stay, in addition to the long advance notice period. This resulted in the employees feeling that the company was doing the best it could, despite the regrettable circumstances.

'I get the concept and meaning of social responsibility, suppose it's an extension of corporate social responsibility, right? I also think if GE is trying to ensure its reputation is intact, it does need to do the right thing by employees. In all honesty I've been surprised by the company offering in its completeness, since GE is pretty hard-nosed and probably didn't need to do everything it has. I'd suggest it would fare well if measured by a CSR yardstick. I think most employees will speak highly of the company in the way it has handled the closure' (Jim).

In addition, it became apparent that employees' pathways were cleared to enable them to take advantage of training opportunities, by means of flexible work schedules and supportive management.

'Yeah, it's not just important to have training courses available; you've got to be able to attend them. Our manager has tried her best to allow us to attend training. One day she completed lab duties so that a technician could attend a course. Not sure all managers would've done that but schedules have been flexible' (Florence).

Emotional connections were formed with managers, whereby the individual needs and concerns of employees were explored. Furthermore, it is evident that many actions of site management were oriented around flexibility for staff, so that training opportunities could be effectively exploited. There were clear developmental provisions (careers assessments, training, CV writing), structural provisions (notice period, communication) and financial initiatives (retention and redundancy payments) put in place by management. Ostensibly, the organisation's primary aim was to ensure staff stayed to see out the delivery of technology transfer and final production. However, with definitions of social responsibility built around the betterment of social and economic impacts to those affected by a closedown, one can conclude that the closure studied can be categorised as socially responsible along the lines of accepted definitions (Rydell and Wigblad 2012).

4.4.3.2 Financial incentives

During the case under review, the financial retention offered was perceived by the employees as on a continuum between fair and generous. All interviewed felt the payment offered was worth staying for and offered some financial security in the event that work wasn't immediately available after the shutdown. In most cases, referent standards of family members' and friends' experiences were used to evaluate the relative generosity of the financial incentives. No examples could be found of friends or relatives receiving financial incentives of such a generous nature. Conversely, some employees related alternative experiences whereby statutory payments had been offered by previous employers as part of redundancy packages with little additional help.

'I've been made redundant before. It's just the way of the world nowadays. No job security really but I thought my best chance was with a big multi-national but that's not going to happen now. That said when I worked in Lydney for an engineering company I arrived to find the gates padlocked and we all had to fight to get our statutory redundancy payment. That was no fun I can tell you. So this is a dream in comparison. I tell people that but most people are already aware of that. Some are greedy and want more, that's human nature, though' (Craig).

The matter of the importance of financial incentives was raised in the discussion area of social responsibility by employees. The employees regarded the incentive as

an important part of a design around social responsibility and placed great value on this component of the company support.

'Well if you're going to talk about the company taking a responsible approach, you can't ignore pounds, shillings and pence, Steve. It all boils down to that in my opinion, because when you go home that's what your wife wants to know. How are you going to pay the bills if you don't get a job? So the fact I can tell her that we can live for a few months without work makes the big difference. That's top of the tree, then comes all the other stuff' (Tony).

'We've got nine months' minimum payment for all employees, no matter how long they've been here. Don't think many will get those terms again. So it shows the company values what we do and I'd like to think it's about doing the right thing too. We've done a lot for the company haven't we?' (Jim).

'I discussed the money on offer with the team and they were pleased. They're still losing their jobs but this will help them with any gap in work history that might arise. I know you had a lot to do with that and I think it was right that the award was for the whole workforce and not a select few' (Mervyn).

Certainly it is clear that the financial incentives were not only valued by employees in terms of the highest priority but also that the financial support has to be considered fundamental as an element of social responsibility when closing a site. A large group of workers at one site who are to be made redundant, and with specific skill sets, may be left to compete for a finite number of residual jobs in the area. Therefore, a possible work interruption must be considered and catered for. In this case, worker anxiety was reduced by the existence of a generous retention payment, which allowed the community to focus on workplace contributions. In turn, this allowed for a positive promotion of the other elements of the support package.

4.4.3.3 Training & development

A sincere appreciation was noted for the investment in training and development. There was also a clear recognition that such support was an element of a complete, and appreciated, retention and engagement strategy. Almost half of the employee population took advantage of the financial support and, as required by the scheme, committed themselves financially too. Those consulted felt this to be an effective way of ensuring employee commitment to seeing training through to completion. Although some interviewed felt the financial offering for training could have been greater, the uptake was high. It would seem those who didn't participate were unsure of their plans for the future or felt that qualifications would not add value. Those who decided to engage in further study trained in a wide range of disciplines, from teaching to healthcare administration. Internal training, offered in the guise of the highly rated company curriculum, was positively evaluated by the staff interviewed. It is also noted that staff were encouraged to participate in the training and given appropriate time to attend. The facility workforce became more confident in areas such as Six

Sigma, project management and leadership. The objective of such training was improvement of their employability and employees were positively disposed towards this effect.

It was explained to the employees at announcement that the management had developed a strategy that encompassed retention, business as usual and engagement. A large part of the engagement element was that employees would be afforded incentives for internal and external training opportunities, in the form of time off and financial assistance. This then allowed the site to be described as 'the place to be' if one wanted to develop oneself. This seems to have been well received by employees and those who took advantage of the opportunities offered a very positive perspective.

'I used the company financial support and government financial assistance to pay for the PGCE. This means I can go into teaching once qualified. It'll be a little tough financially for the placement year but the redundancy should cover that. It's actually what I wanted to do when I finished my English literature degree and I'm not sure how I ended up in Production Scheduling! Life just happened, I suppose. I was a little nervous about some of the numeracy exams but once I had them out of the way I was relieved and much more positive. The company training has really helped in terms of the Microsoft office training; I'll need that for my PGCE. I've been given some time off and covered the hours. Management has also supported my departure date so that I can start the course, so that is critical for me. The only challenge has been balancing the workload with the study but now I'm excited about my future' (Jane).

Following advice from other sites which had undertaken a closure program, the management team decided that a financial match – employee and company in equal share – up to £1500 was suitable and would cover most qualifications. A 'career development loan' scheme run by a bank was also explained for employees struggling to make their part of the financial payment. The companies consulted advised that where employees had 'their own skin in the game', the number of employees not completing the course of study was almost nil, whereas where a company had given the full course cost, completion rates were just 60%. It would seem that the simple action of investing one's own money ensured that the level of commitment was at the appropriate level to ensure completion. Another proviso to be eligible for funding was to stay until the required exit date; otherwise the employee was required to reimburse the company the payment. The aim was to ensure that employees reskilled themselves and not to set aside funds that would not be productively used – and, of course, retain employees until the required date. This action wasn't necessarily embraced by all:

'I think the company was bit stingy, in my opinion. This is a big company and to ask employees to use their own money to start a training course is a bit off. I know there were these loans but I don't see why I should use my own money when it's not my

fault the site is closing. I think the money should have been available with no strings. I think the company was just trying to save bit of money there' (Charlie).

The outcome, shown by management records, was that almost 45% of site employees engaged in the offer of financial support for external training. The records demonstrate that teaching, horticulture, electrical engineering, computing, NLP, phlebotomy, management, business, starting a business, beauty therapy, interior design, catering, dress-making, photography and franchise management courses were financially supported. Review of the records also detail that for some a genuine commitment to change career was being made, whilst for others the suggestion was that the training would lead to secondary or hobby type work that might eventually lead to a genuine career change. The funding was also used by some employees planning to retire, who wanted a hobby that might earn them a little side income and keep them interested in something in other area. This is exemplified by the following comment:

'I'll retire but I'm not too sure what I'll do to be frank with you. I have some interest in gardening so I'm doing a horticulture course because it interests me and I'm likely to help others if I have more time. I wouldn't want to stay home all the time and become a full time carer for my elderly parents, I don't think that would work for me or for them. To have a chance to study something helps and I might well continue studying now I'll have a little more time on my hands. The company didn't have to do this but I think it has generated a lot of goodwill and I've appreciated the gesture' (Liz).

Another person was undertaking a similar path of study and had an entirely different outlook, due to stage of life and experience of family:

'Yeah, the training has been good I reckon. You've got to put up some of your own money but that really makes you think about what you're actually going to do. I'm studying horticulture because I love the outdoors and I've always wanted to work outdoors. Now I've got the opportunity. My sister has got her own gardening business so I'm buying into that and getting the right qualifications, a little bit nervous but more excited than anything. The funding has been good and I think those who haven't used it have been a bit foolish, it's just an excuse in terms of not knowing what you want to do, just do something I say' (Mark).

GE is considered to have high quality internal training covering a range of subjects, designed to optimise management and employee performance. However, nomination has to meet stringent criteria on the basis of development needs, as identified for the individual and also endorsed by management as aligned with the business unit goals. By negotiation, these shackles were removed and employees could nominate themselves for training with the proviso that their manager could support the time required to complete the training. Records show a high uptake of the internal training offering, with Microsoft Office, Lean, Six Sigma, project

management and presentation skills courses showing the highest levels of attendance.

'Certainly enjoyed the GE Project Management training and think that will help me in a number of areas after leaving the company. The trainers were good and management supported time away from the job. That was easier toward the end but tougher at the start. I know some people could attend the onsite course due to work but they were given an off-site alternative eventually. The training was important to me, although not everybody took advantage. You can lead a horse to water and all that' (Sam).

'I didn't take any of the internal courses myself, since I'm looking to retire, but a number of my team did. They gave very positive feedback about the training quality and I honoured my promise of freeing them up in terms of time. There was one occasion where work had to come first with equipment failures but that is respecting the fact we were still an ongoing business. I made sure the training missed was completed at the Cardiff facility. The company provided and paid for a huge number of training hours and I think that reflects well on GE' (Ali).

It might be suggested that such a high level of interest in the areas of Lean and Six Sigma, which are systems that are designed to drive productivity advances in an organisation, might well have some level of correlation (not causation) with the productivity improvements experienced at the site during the closure. For qualifications in Lean and Six Sigma at GE, after learning the basic tools, there is an expectation that value generating projects should be identified and delivered and any financial saving claimed and scrutinised with a financial sign-off. This process was continued at the facility and staff enthusiastically engaged with the program:

'I enjoyed the lean training and to have a GE trainer come over from the USA to deliver it made it better for us all. He had some good stories about lean, with photos and examples. It was also very practical – going out on the Gemba (at the workplace labour area) as he called it. I know that Lean knowledge is high on the list as a wanted skill for potential employers. I'm glad I've qualified since I think it will help me get my next job' (Jim).

'Lean training was good, I'm glad that we were still able to do it and to be honest I was surprised they did. I mean, we're closing, so some of the benefits would be really short lived in all honesty. I'm pleased it ran, but not sure it made that much sense for the company' (Tony).

On the matter of employee *perception*, it would seem that the training offering both external and internal options has been perceived as a genuine and sincere action, that went 'above and beyond' the basic requirements of site closing strategy. It was considered an 'add on' after the primary requirement of a generous financial incentive but it can be seen as an effective engagement tactic, allowing staff to have

an 'eye on the future' whilst being financially supported by the company and having to stay until required for the payment not to be repayable.

'The training funding was a real bonus and one the management team didn't have to do and I don't know of one person that got turned down. Ok, some people were asked for more details regarding the qualifications but that was more a question of clarification and helping the employee. At the beginning, I didn't think it was that important but the more I looked into it and then decided to seek financial help myself, I figure it made a difference. It felt like the company was actually interested in your future' (Tessa).

4.4.3.4 Communication strategies

Communication is a common theme throughout major change events, not only closedowns. However the importance of having a communication strategy was clear from the research. Employees wanted to understand how the project to transfer technology was progressing and how phased departures might be handled. Employees suggested that throughout the event they needed to understand how they would be impacted as individuals. With regard to communication events, there was more interest and engagement in all hands briefing events in the months following announcement, and then again at the 'business end' of personnel exits. The fact that a regular operating rhythm of events every 4-6 weeks had been established was valued. This rhythm offered leadership a routine opportunity to check the 'heart beat' of the team, judge relative mood and dispel rumours before any discord occurred.

This combination of site messaging scheduled every 4-6 weeks, with Site Director communications, newsletters, project updates and manager briefings, was evaluated by employees as effective. The company culture requirement that monitoring dashboards and checklists be used for areas such as productivity, quality and safety meant that the site teams received confirmation that the business objectives were being met. Therefore, while even work performance monitoring was maintained throughout the closure, the perception was that this was administered in a fair and reasonable way by the management team. This was an important confirmation for managers as they created time for staff development.

One might argue that initial management responsibility is toward credible justification of the closure. Most of the respondents felt the reasons offered for the closure were credible and on the whole made sense. However, this did not stop some from feeling genuine shock at the announcement as possibility became a reality. Staff understood the investment requirements to keep a pharmaceutical facility contemporary in technology terms.

Employees assessed the relative offering of support in terms of finances and various types of assistance on a continuum from generous to fair. What is apparent is that the employees interviewed felt supported by the managers at the facility and felt that

pastoral care was clearly in evidence. This isn't currently identified in the literature as part of the socially responsible dynamic. These were voluntary acts and the process of taking active interest in the future plans of employees was appreciated, in addition to the practical support offered by Job Centre Plus (a local government agency) and internal careers services. Whether it be the financial decisions or career next steps, the 'same boat' environment allowed for the sharing of plans and experiences in a powerful and compassionate way. The management team, although undergoing a transition themselves, accepted that employees were in a vulnerable position with reference to economic and social loss and helped in practical ways.

As mentioned elsewhere in the analysis it would seem that the employees regarded the financial incentives as very fair and some ventured to describe the package as generous. This had been well received by employees in that it provided a financial safety net for those considering career change and enable others to be a little more patient with the jobs they were willing to wait for. Many offered that the financial package provided them with options, and unlike many in a similar situation they did not feel cornered into having to secure a certain type of job immediately.

'You can't grumble at the money on offer to stay, no two ways about it, it's a good deal. It lets you not worry about getting a new job immediately, which kind of takes the pressure off. It's important it's available for everybody since that helps make sure there aren't divisions and in-fighting, because that could happen' (Tony).

When probing the employee perception of management actions using the subject of the financial retention, it would seem the respondents clearly understood the need for the company to keep the key competencies at the facility but that it was perceived as a 'win-win' when combined with other factors such as notice. Most had some comparisons with friends or family who had been treated poorly with little notice, support and the bare minimum redundancy requirements. In this respect many of the aforementioned family and friends felt that such conditions were relatively unusual and hence the employees had a significant advantage.

Since significant sums of money were involved there was a level of caution, particularly for employees close to retirement who had a long tenure. The concern was over being placed on a 'project' by the company until the individual actively retired themselves, thereby having the company avoiding making such a payment. This did not happen in any individual case but the fact that some employees considered this a possibility demonstrates some mistrust in 'higher management' (explained as HQ executives based in London and New York).

'For me, it was important to have the financial incentive to stay otherwise I would have had to look around. The payment gave me a security, which made it a sensible decision to stay. Most of my mates reckoned this was the best deal they'd heard of which made me feel even better about it all. When it comes to the HQ guys who announced being visible, for me, that wasn't important. As long as the money was

there, then not seeing them at the site was actually a good thing, I reckon we need to be left to get on with things our way' (Craig).

The generous nature of the financial incentives was significant for employees and the severance packages regarded as worth staying for and favourable in the context of referent standards. Employees were acutely aware of the caveats to receiving such financial support in terms of attendance and performance ratings. With regard to training, those employees motivated to 'enhance their CV' during the closure period did find genuine opportunities to exploit internal training, with Project Management and Lean\Six Sigma training particularly well received. What was notable through the interviews is that local leadership became the 'brokers' to accessing such opportunities. More staff were released than anticipated by off-site leadership and it became clear that the focus of external leadership was on delivery of the business plan and avoidance of risk by continual oversight. Local leadership was able to ameliorate the executive concerns by managing upwards but, importantly, were also able to make sense of priorities at a group level, to enable the release of staff to some extensive training. Additional support in the area of career analysis and financial management was also well received; particularly in that it was seen as impartial, coming from a government agency and an Independent Financial Advisor (IFA) respectively.

The socially responsible nature of the closure was validated in the interviews, where the importance of the financial incentives, development assistance and structural factors were confirmed. Factors such as notice period have evolved not only as matters of symbolic trust but also the offering of time to plan. The interviews suggest that by addressing the economic and social impacts of closure, employees were then able to concentrate on delivery for the business and preparing for the future. The help regarding training and preparation for new employment, the structural offering of advance notice, on-going communication and generous financial support can be regarded as the key criteria for evaluating social responsibility, as the basis on which a successful collective journey for both managers and employees can take place. The study is supportive with regard to the claimed benefits of socially responsible closedowns, leading to stable output from the plant and productive and collaborative team relationships. This also allowed the company to drop the proposed high levels of surveillance due to the perceived quality and supply risks at the closing facility. In turn the interviews demonstrated evidence of high levels of employee advocacy for the company in general, and in particular with regard to management actions and approach during the closure.

4.4.4 Leadership Approach

4.4.4.1 Communication

In all the studies located within the field of change management, the subject of communication arises time and time again. It is fundamental to the control and

management of a change initiative, in that those impacted want to know as much as possible and early as is practical. This change was no different, in that the respondents suggested that they wanted to know ‘the what’ of what was happening and ‘the when’ in terms of timescales as soon as they could. Often the lament was that the staff just wanted to ‘know when they were due to go’ so that they could make plans. It was explained by the management team that this wasn’t as easy as it might have sounded, due to the complexity of phasing – certain products needed to be manufactured, customer demand needed to be satisfied, regulatory obligations met and skills retained for the decommissioning programme. Therefore the management communication focused on explaining this process, rather than committing to confirming individual departure dates prematurely.

‘After the announcement the next few briefings were actually quite interesting and I wanted to be there. Was good to see how the project plan was shaping up and how the plan was slipping in some areas. No surprise that Oslo failed some of the PV’s (Process Validation batches), in my opinion. They’re slow and always have been. Then into the rest of the first year and second year, if I’m being honest here, it got a bit boring. There wasn’t anything new on the slides, not many questions and I was a bit bored. Sorry. Toward the end, I was interested more because of the phasing, that had a personal impact’ (Craig).

Further evidence in the form of company and site communications has been reviewed as part of the research. It was clear that a regular cycle of communication events had been scheduled every 4-6 weeks and through observation and data collection this was confirmed. It was clear that many regarded these events as a little tedious in the first 6-12 months, since little changed on a monthly basis whilst the technology transfer exercise was commenced. Such communications were augmented by Site Director Communications, department briefs and newsletters. It was very much ‘business as usual’ and town hall events confirmed this as such, with updates on order book, productivity, regulatory audits and H&S progress. However, as community events it would seem they were valued, and there was comfort in knowing that a scheduled communication event was to happen whether there was news or not, since it would offer the opportunity if needed to raise concerns or share rumours that had been festering.

‘At certain times there were rumours that Oslo would not complete the PV (Process Validation) batches in time and it was good that you could ask the Site Director the question face to face. I don’t mind asking the difficult questions, it doesn’t bother me. I asked him and he explained that it was slipping but was recoverable. That was management speak for Oslo getting a bit of bollocking (sic). Can I say that? They then had to work through weekends and a summer shutdown which would have been tough for them. The site town hall events and briefing notes were important at times like this. You just want to know’ (Charlie).

Not all employees had a large appetite for information regarding the shaping of the closure process but this response was a minority view:

'Toward the end, I just wanted to go, so the town hall events just added to the tedium. I know others liked them and they need information to keep them happy. Fair enough. That's not me, just tell me what to do, when I'm going and that's good enough for me' (Tony).

Seeing the information oneself was regarded as important and progress versus the plan could be seen by all. For many it also confirmed the finality of the decision, in that real, tangible actions were being taken and confirmed periodically, as confirmed by the following comment:

'Yeah, I mean I, it's good to see things in black and white and having a lot of information given to you so you can sort of put it in your own mind that something's going to happen, not sort of, if you've just been told this decision's been made you may sort of think well there might be some wriggle room, things will change, like a manager somewhere will move and someone else will come in, but yeah, when you see the stages of something happening and you can sort of take it in a little bit easier' (Tessa).

4.4.4.2 Credible justification for the closure

As the reasons for closure were discussed it would seem that the initial explanations offered by the executive team were broadly accepted as credible reasons for exiting the site. Many understood the backdrop of the general industry decline with a number of products coming out of patent, resulting in reducing revenues for the business. Most would also accept that to continue manufacturing at the site would take some considerable investment to maintain it to contemporary regulatory standards. Those who had worked in the industry for some time knew that the type of equipment required for pharmaceutical production was high cost, and that operating under-capacity plants made no sense for any business. The fact that the explanation of the reason for closure was presented by both senior (off-site) and local (on-site) management would seem to have helped with the message. It was clearly understood that managers were impacted too, and relatively little cynicism surfaced regarding managers being provided for differently.

'The reasons offered did make sense but in all honesty it doesn't make it any less of a shock. You're still going to lose your job. That said, the way it was announced was as well done as it could have been considering the circumstances. You just have to accept that GE are ruthless in comparison to other companies – they are numbers and money driven. Other owners of the site considered it but didn't follow it through. GE care less about the people impacts, in my opinion' (Steve).

'To be honest, the way I see it, they've wanted to close the site for some time but it is only GE that has had the balls to do it. Amersham thought about it, Nycomed talked

about it but GE are actually doing it. We've been starved of investment for nearly 10 years now and the regulators can see that when they come it to the site. The reasons given make sense to me, although I can't see how Norway, which is one of the most expensive countries in world, can be cost competitive. I think they're just fortunate that they've got such a big site which has been invested in heavily in the last five years' (Adam).

'I was shocked at first but it after it actually sunk in, the reasons make sense. I mean when was last new piece of machinery bought to the site, five years ago? That hasn't even been validated properly. We've been working with old equipment, rumours are the engineers have to buy parts off eBay because the suppliers don't stock the parts. That's true isn't it? You can't continue to run a site that way, these are pharmaceutical products after all' (Sam).

There was some disquiet around the sister Norwegian plant receiving some of the premium transferred products, with much more comfort concerning the contract manufacturing site in Italy. Some respondents voiced concerns about the labour costs within Norway, and particularly the capital, but accepted that site housed newer technology and also had the ability to produce a much wider range of pharmaceutical products. It was also clear that those interviewed exhibited a high degree of professional pride in their specific abilities within the pharmaceutical domain. This surfaced as a competitive spirit in many cases where roles would be compared to counterparts in the Norwegian enterprise, maybe unfavourably. As the closure unfolded, it would seem the employees focused less on the internal comparisons (less relevant now), and more on how their skills might be used in the external job market.

'Early on in the process, I thought the Oslo team were quite arrogant. They were here looking at our processes and weren't even apologetic in any way. I mean they've taken our jobs really. They seem to have a lot more people to do the same quantity of work if you ask me. They complicate things when they don't need to be complicated. They're not shy about explaining the expenses they get for travelling either. However, now we're at the end I don't really care, the company will get problems in Oslo and they won't respond like the Gloucester team have, that's their problem, not mine' (Tony).

4.4.4.3 Company support packages

Another area surfacing in the research was that of manager support for employees as they were making the transition from employees working at an ongoing facility oblivious to closures, to one where each and every employee would be making an exit of some kind. Styles differ amongst managers but the research shows that managers did take an active interest in the future plans of employees within their team. There were some generic strategies applied in the form of career skills

assessment and counselling using government support (Job Centre Plus), which offered a route in for supportive discussions with employees.

The company also organised some financial planning workshops for employees which would help in the productive use of the time available between announcement and facility closure. Simple strategies were explained for putting money aside so that some would prepare for what might eventually be lower salaries than the ones commanded after a number of years' tenure within GE. Pension planning was also part of the brief and with all employees holding lucrative final salary pension schemes, such advice could prove ultimately critical for employees if moving organisations.

In terms of wellbeing, many employees reported a degree of pastoral care offered by their manager. However, on analysis, this pastoral approach was clearly more common amongst the managers who were retiring. On discussion with that population, it would seem that since these individuals felt relatively secure themselves and that the closure had accelerated their retirement plans in a financially advantageous way, they felt an obligation to see their teams in a better place both emotionally and vocationally on exit:

'My team is important to me. I want to know they're doing well and that I've helped them as much as I possibly can. I've done well out of the company – shares, pension scheme and now redundancy payment. If I'm honest, I feel a little guilty that the current employees can't benefit in the same way. I would like to be 'handing on the manager's baton' to one of the current employees that I've spent time developing. Also, I would like to genuinely visit a 'living, breathing' facility after I've left, rather than knowing that this facility won't be here. That said, the fact it is closing forced me to stay on longer, it would have otherwise felt like unfinished business' (Liz).

4.4.4.4 Experience of making people redundant

No manager reported feeling completely comfortable with having to handle the business end of redundancy. However specific factors certainly helped the managers in the issuing of redundancy notices, most notably:

- Training and mentoring in the actual process of using criteria and issuing of notices.
- The redundancy packages offered were considered generous and came with ongoing outplacement support which made the delivery more humane and caring.
- The fact that everyone was being impacted, including the managers themselves, helped with genuine empathy.

This is perhaps where a site closure that impacts the entire workforce is more favourable an experience for the managers than having to apply selection criteria for redundancy, since the powerful facts that 'all are going, it's only a matter of when' and 'I am actually impacted by this too' can be articulated during this sensitive conversation.

One manager shared his views on this:

'I didn't want to muck it up, I'd never done it before. However, I think we gave them a really, really good deal, they also knew they were going to go. I think they were quite pleased with the financial sum they were going to receive and knowing that, I think it makes it a little bit easier' (Jim)

Another added:

'If it weren't a closure situation and some were being retained, I think people would have been going, what, why am going, I can do that job, why is that, but because everyone is going, a lot of people don't really mind when they go, it's like as long as I know, it's about knowing the dates, not when you are going. But like I said if it was still actually opening, they were still going to keep people here, I personally think you would have a lot more appeals on your hands with the redundancy, because I do that job, you tell me why they do a better job than I do' (Charlie).

It would seem that managers felt that the financial and overall support package had been good for themselves and ultimately the employees. If there was an area of controversy, it was the phased release of employees, where some were selected and didn't want to go, whilst others weren't selected and actually wanted to go. In this respect managers felt that both conversations were difficult but the former rather more emotional.

'Specifically one person, obviously volunteered to go for September, didn't get a letter, one of the girls in our area got a letter, this person didn't get a letter, and I've never seen a reaction like it, it was so ridiculous, it was like a two year old. It was like if you were a child, I'd slap your leg, it was that bad, throwing things around, screaming and shouting, knocking on your manager's door, where's my letter, I want my letter, I've got things to do with my life, I want, I want.....you know it was like anyone who was trying to speak to her, she was telling them all to F off (sic), we all just left her for a few days' (Adam).

'I know some managers have had to say to people that they've been selected for earlier release and they don't want to go. That's a difficult situation to be in but we've been trained to keep it objective and refer to the selection criteria and requirements for employee retention at certain phases' (Adam).

4.4.4.5 Managerial role in sense making

Through the research it became evident that managers spontaneously settled into the role of mentors of employees navigating the significant change of job loss. It was also clear that many employees not personally confident of raising issues in the forum of the town hall event would ask for clarification from their supervisor or manager. In many cases this had become a default behaviour for the employee in terms of past communication events, so they would attend and not necessarily absorb the information presented but would wait for the more intimate and personally comfortable settings of their specific department, team mates and direct supervisor or manager.

'I help just talking to them. You know everybody is in the same boat, you just You know what I'm like, I just talk a lot anyway so I'll just talk until they feel a bit more comfortable, not just telling them what they want to hear, but you know cos even when we have the town halls, you know, not all of them, but the majority of them will come out of there and they'll look at me and they'll say, what did he say? I didn't get any of that, I don't understand it. And I was quite surprised that they didn't understand, I think they must switch off. I don't think its that difficult to understand what you are saying when you give those briefs out, but a lot of them will come out of there, going I have no idea what you just talked about (Sue).

The Human Resources leader had advised managers to assert the fact that they too were impacted personally by the decision to close the facility. This helped when explaining decisions around phasing of employees and ultimately facing the scenario of job loss. For older managers in particular, mentoring became a more prominent part of their role, as employees explored the choices of a post closure environment through the options of training and assessment services.

'I followed up with some frustrated employees and explained: "But you're in the same boat as everybody else, you know, what you have to think of is I'm going to be here until November, worst case scenario, if you go earlier it's a bonus for you, but I still got a reaction, but that's no, I want to go now. Well you can't, anybody can go, if you want to go, you can walk out of that door at any point, but if you want your money you need to stay until they want you. That's what it's about, it's not about you wanting, the company want you to be here for a certain time and you know if you want to keep that money, that's what you're expected to do, if you don't then you can walk out of the door and leave for nothing". Silence then' (Charlie).

Explaining to employees that they still had to deliver on the organisational goals surrounding safety, quality, productivity and delivery was seen as a key component of the managerial contribution. Many commented on the organisational tools such as scorecards and checklists that had to be administered throughout the closure period. Although a balance had to be struck on 'goal delivery for the company now' and 'goal delivery for the employees' futures' this tension seemed to be adequately resolved by managers as they delivered on the closure requirements. Predominantly this was

achieved through sometimes challenging conversations with employees where discussions were elevated from the individual employee level to the organisational requirements. With generous incentives on offer, it would seem the managers felt more empowered, in that they had a decent financial retention offering as part of the toolkit. Many of the conversations were based around promoting the value and preconditions of the incentive, the employee's role in the team delivery, the availability of training resources and ultimately the voluntary nature of the employee remaining.

'Yeah, he was mute then, because it's the truth, you know it is about what the company needs, not about you, a lot of people need things, a lot of people want to do things, but life's never that simple, it's not, it doesn't go one, two, three, I'm going to do that, that, there's little barriers. It's not like you're going to go out and get another job, what you want to do is go home and put your new kitchen in or do your garden and the sun is shining, this is what I want to do. I said you know by all means anybody can do that but don't expect the money at the same time' (Sue).

4.4.5 Concept of servant leadership in the closure

The concept of servant leadership was explored in discussion with the management interviewees. In particular, the comments around 'the last act' for those retiring from work were discussed in more detail. In essence, the management group regarded the closure somewhat ironically as a 'peak experience' despite the initial dread of having to retain and motivate a group of employees facing redundancy.

'This ended up being a far better experience than I thought it would be in that I feel proud of my team and the site for what it has achieved. The project to close was practically flawless, despite the capacity challenges at Oslo. I can look the members of my team in the eye and know they've been well looked after and that's made this whole episode more tolerable' (Craig).

An employee added:

'The management team have been great in these final phases of the site. I needed time off for training and I didn't need to beg for it or use any annual leave. I felt supported and there's no substitute for being made to feel that way. HR were alright too but I felt it was my manager that was finding out what I'd like to do and then helping. They also have some experience to share which I've found to be good for me. I feel better about myself but am still scared about my future to tell you the truth' (Tessa).

Critically, a distinction between off-site and local leadership was made by employees and this distinction crystallised during the closure. The local management were regarded as in the 'same boat', whilst external company leadership are viewed as those issuing the execution order. A 'siege mentality' of sorts evolved at the facility,

which resulted in high levels of cooperation between employees and management as they sought to show the site in its best possible light. The site leader was challenged by HQ in respect of the level of employee training funding, suggesting a reduced amount, and this defence of the employees gained the respect of the staff at the site. There was then an enhanced feeling of the site community 'looking after its own' and 'sticking together' against outside forces. Gaining a higher level of funding was well received but, more importantly, it reinforced the perceived distinction between local management in comparison to external leadership, the former with an emotional attachment whilst the latter were regarded as emotionally detached.

'We were aware that a lot of what was done at the site wasn't universally supported by HQ, knowing that made a difference. It was good to be told that by site management, but it was also the sort of thing I'd expect from GE, to be totally honest. It made me feel closer to site management and was sort of 'Gloucester against the world' but not in an entirely negative way' (Frances).

Another added:

'I know there was some real criticism felt at the start of announcement that we were 'fortress Gloucester' and that there were other sites going through restructuring so the company had to remain consistent. However, it's my view that a site closure is different, I mean, we're going to disappear off the GE map, literally' (Sam).

It was revealed that both managers and employees, in different words, felt that a servant-oriented leadership approach manifested itself whilst the site was closing. The needs of the employees, particularly in a vocational and personal development perspective, were made the clear priority, as fits with the definition of the servant leadership approach (Wong 2007). This was not intentional on the part of managers but more a case of a leadership evolution from announcement onwards. Increased levels of discretionary effort were apparent in the form of employees covering the workloads of colleagues away on training, often working overtime at short notice to ensure work schedules were achieved. Managers shared their passion for enhancing employee marketability through training efforts throughout the closure period, with many considering this their 'last act' in the business prior to retirement or semi-retirement. During interviewing, the importance of the management team as advisors and counsellors became clearly apparent. Employees reported that managers focused on positioning junior employees positively for future jobs and careers, with sharing of experiences and offering of encouragement. This servant-oriented managerial approach led to high levels of engagement by employees, who demonstrated high levels of discretionary effort in a positive work environment.

'I've never really come across the term servant leadership but as you say if it translates as putting the needs of the team before my own then there definitely has been some of that with me. I have covered some duties to allow staff to take training courses and had a few challenging conversations with the site leader about how

many people I sent on the project management course! Fundamentally the company has taken care of me through a decent package so I want my staff to do well after this and didn't want to be an unnecessary pain to them whilst we were closing the site' (Florence).

Not all managers were comfortable with the terminology associated with servant leadership:

'If I'm honest, for me, servant leadership sounds a bit airy-fairy, something that HR would say. I think we've just treated staff the way we would have liked to have been treated. My Mum said that was the golden rule and that's been followed here. I haven't necessarily put other's needs before my own, because the company made sure my package was decent and then it allows me to take care of the job at hand and that means the people that work for me. It's like we're paying it forward' (Mervyn).

And:

'Not certain that servant is the right moniker but they've definitely been more caring and enquiring of future plans. Servant sounds a bit religious, what about caring or compassionate leadership as alternative?' (Jeff).

Communication surfaces as a major theme when discussing the evolution of the servant-oriented approach taken by local management. As such, this supports findings from the literature of successful closure experiences (Grimpe 2004). The management strategy of communicating through a variety of methods – newsletters, group meetings, all hands meetings and one-to-one – offered numerous channels of routes to management thinking and understanding. The social interaction with senior management allowed the fostering of relationships with individual managers. It is suggested that such open communication strategies lead to higher levels of employee participation in shaping the environment, and thereby a sense ownership (Saunders et al. 2003). The action of involving employees leads to actual or perceived process control, and if this is felt to be genuine and not deceptive then trust can build and relationships prosper in an environment of mutual respect. In response, the feedback offered by employees was that being treated equitably by virtue of the procedures adopted was regarded as key to management credibility and trust. Hence, the author supports the suggestion that procedural justice manifests itself as stronger than distributive justice in such scenarios, due to its repeatable nature (Mishra and Sprietzer 1998).

'What has been important is for there to be a bedrock of consistency amongst all managers but the staff are a canny lot, you can't fool them. If they sense that one department is being treated differently or favours are being pulled in by specific employees they will pull us up on it, they speak their minds here. There are some advantages to a small site but also some vulnerability. HR have been good in ensuring that that consistency is structured around transparent procedures. We've

communicated them clearly. That makes it easy when we get challenge, any type of inconsistency and we couldn't begin to think about this servant leadership mentioned, since integrity is a first principle for me. That's where it starts' (John).

It would seem the site intensified its own unique identity during restructuring events by 'distancing' itself from senior external leadership and this provided an opportunity for the complete site community under threat to articulate a singular identity. This phenomenon has been reported in other cases (Mishra and Spreitzer 1998). An alternative response from employee communities presenting themselves in a more fractured way, but nonetheless feeling exploited, is that employees can present their efforts as rigid and inflexible (Cameron and Green 2009). Although employees will look toward management for reasons for the closure and a roadmap of the closure period, there can be, in the midst of this 'control and direction', a level of empathy afforded by the employees to managers. It would seem that this can only be effectively volunteered by employees who genuinely believe that the manager is representing their interests fairly. There is clear acceptance by employees that the leader still has a 'job to do' but the way in which it is executed is key in terms of employee perceptions and consequent responses. In this respect, the role of servant leadership should not be underestimated with respect to the value it can bring to an employee's self-concept. As the manager seeks ways of 'going the extra mile' in terms of employee assistance, becoming a mentor and guide in the midst of one of the employees' most stressful life episodes, an evolution and growth of trust emerges. In this case, it is this servant-oriented 'new order' which surfaces in coaches, mentors and guides, who, even though they may be experiencing significant psychological transitions themselves, serve employees as their final organisational act.

'I think you're getting at something important there you know, with managers prioritising employee needs. The guys in my team would definitely say they've got more from the closure than just a pay cheque and I'd like to think I've helped them myself. I've tried to use my network to help some of them with contacts for future jobs. Some of them have surprised me with wanting to make their interests into careers and I wish them the best of luck. Feels like I'm more of a 'Grandfather' to some them now' (Jim).

'I'm a Christian and the term servant leader means something to me in a personal sense. In fact, I hope I have always been that type of leader but only the staff in my department could confirm that. Jesus put his needs last and I think that is leadership, selfless and sincere. Fundamentally I believe employees want to do the right things at work anyway. I suppose I have seen more leaders here engaging in a selfless way since closure and even if those managers retiring may find that easier, I also see it in the behaviours of managers who still have to work after this. I have pride in being part of this team and lessons I've learned, I will carry through into my lay preacher vocation' (Mervyn).

The achievement and maintenance of credibility for the closedown decision is a key action for the successful management team as the climate is set for the closure. The reasoning and justification may go some way to legitimize the closedown. This action of scene-setting, done artfully, has led to increased consultation between managers and employees and subsequently improved relations. This has been evidenced most notably at the shop steward level who are often considered the source of the largest threat of mobilizing employees to take industrial action (Hardy, 1990, 1987; Brown, Schmitt & Schonberger, 2004).

It is apparent that the balance to be struck between representing the employee interests and the needs of business expedience in a closure environment is a fine one. However, this is critical in remaining credible with executive leadership and ultimately remaining in position to lead the team. There are key phases of interaction for local management, particularly around the announcement period, where there is a key role of representation of the site team to off-site senior leadership. Concurrently the conversations with their own teams assume a level of significance in terms of individual sense-making of the new environment. The manager taking on the role of the counsellor as well as leader emerged as a consistent theme in the study. This was particularly the case where managers fell into the early retirees category. As discussed earlier, many managers felt a duty to ensure employees had the best possible opportunities to develop themselves. Some managers lamented that they felt certain employees had not taken full advantage of the complete company offering and that this could serve as a potential source of regret in the future.

On reflection, managers identified with the servant leader model and employees' responses supported this, but it clear the reactions of staff under such threats could have reverted to their most well-learned or dominant response (De Meuse & McDaris, 1994; Weick, 1979). In essence, due to the creation of some tension resulting from the new transactional environment, this could have led to unsupportive and rigid behaviours at the individual and group level. One might surmise that this is something that can be expected in the environment of a closing plant, particularly if there is a level of acrimony between managers and staff (Shaw & Barrett-Power, 1997; Staw, Sandelands & Dutton, 1981). However, this is a direct contrast to the cooperative, collaborative environment created by both employees and managers in the case under review. The concept of procedural justice surfaced during interviewing and is considered as a platform for building and/or enhancing trust, and the yardstick by which employees judge the integrity of managers. This aspect is an important consideration for the development of servant leadership, since it would seem enablers such as this need to be in place prior to the creation of the 'flourishing environment' that servant leadership encourages. What is also evident is that this approach was not engineered but evolved, and as such its spontaneous nature was perceived by employees as sincere and genuine. This perception is important in the employee interpretation of the methodology adopted by management.

4.4.6 Executive visibility & presence during site closure

Views on the role of senior company executives who were external to the site and their visibility during the closure were mixed. 60% of staff suggested it was important that they came to the site to 'face the music' and justify the decision and ongoing support. The alternative view was that the site was a close-knit community, almost family-like and as such, external executive visits were unwanted and a distraction. This view is articulated by the following quotation:

'Yeah the executive visits, because it's quite a small site and a bit of a family, having somebody come from higher up in the company to come and talk to you doesn't mean a great deal, as you almost see them as the ones closing the facility. But when we had the lunch the other day, I mean speaking to the guy he does seem like a nice person and quite genuine, so speaking to them personally, you think yeah, you're a good person and you're interested in what they say, but as a general point, getting e-mails and stuff from senior executives, I tend to ignore them' (Jim).

There also seemed to be a number of employees who felt less part of the wider company, since many communications were about success in other parts of the business and 'selling the future' of the company. This is something most employees clearly didn't feel part of, especially those who didn't believe they would secure a future in the wider company. In this respect, the retention provided a real 'security blanket' that meant that if certain jobs didn't materialise within the wider company, the financial cushion of severance provided the assurance that one had time. It was felt that those remote executives making the decisions would not be aware of the talent at the facility.

'As time wears on, the less you feel connected to HQ. To be frank, I don't think they really care as long as the product is coming out the door and people aren't taking advantage of the situation with 'sickies' and the like. You know what I mean? You do feel closer to managers on site and even though we've always been a family, I actually think we're a closer family as a result of the decision' (Charlie).

'I don't think they're that serious about finding us other jobs in the company. I mean we've gone on a few visits but Amersham is 2 hours away and it would be expensive to live there wouldn't it? Compared to Gloucester that is. They've got their own problems at that site anyway, haven't they? Plus you've got to walk away from the money and that's hard cash ain't it? If I got another job, I'd still want redundancy and you can't have both, I know that' (Craig).

4.5 Review of the Key Findings

In the case under review it would seem that the closure itself was regarded a relative success in the eyes of the multiple stakeholders – employees, employer, regulators, unions and customers. Employees regarded it as a surprisingly positive experience despite being made redundant and the company achieved its supply continuity and technology transfer objectives, whilst expecting the plant to deteriorate in the areas of productivity and quality. The study itself sought to drill down into the personal and collective change experiences of the employees and managers to determine how such a highly emotionally charged restructuring event can become a life affirming episode within the careers of numerous employees. Furthermore, the work explores the important dimensions of leadership approach and the employee perception of management actions, which have a clear relationship with the dynamic of trust in a potentially adversarial environment.

The study seeks to answer the important research questions of how both employees and managers experience the journey to redundancy from the position of once relatively stable employment. The factors which determine the decision to stay or to go are discussed. The applicability of change management models has been reflected upon, particularly considering the relevance of planned versus emergent strategies. In addition, the leadership approach and perceptions of employees have been investigated, using the context of existing research to propose an informed management strategy. The closure event is regarded as a under-researched phenomenon, as argued by Butler et al. (2009) and Raturi (2009). Therefore, more learning and insight can offer the possibility of understanding the employees' and managers' perspectives, which can inform management as strategies and plans are crafted for the execution of the site closure decision. For instance, the author has learnt that, although a very individual experience, employees can be effectively categorised into groups of employees requiring different support programmes, which can effectively cater for the different types of transition being undertaken. Such a contribution allows for a previously unconsidered factor to be integrated into management thinking and strategy development. Importantly, the author argues that if employees and managers alike are willing to bond within the shared grief of working at a closing facility, the site community can become powerful stewards for not only the organisation's product and reputation but also their shared futures.

On review, research around closures has until now focused on productivity in the closedown period (Hansson & Wigbald 2006,) reasons for closure selection (McDermot 1989; Richbell & Watt 2000; Raturi et al 2009; Bernard & Jensen 2006; Fackler 2012), likelihood of leaving a closing plant (Schwerdt 2011; Schwerdt 2013), societal impacts of job loss resulting from closure (Gush et al. 2015), social responsibility in closures (Wigbald 2011, Rydell & Wigbald 2012), as opposed to the

support and transitions of employees who don't fit the classical redundancy research. Redundancy literature predominately explores the experience of 'leavers' and 'survivors' (Thornhill et al. 2000, 1997; Gandolfi & Hanson 2010, 2011) and therefore a research gap is located around the plant closure experience of employees and managers and how they adapt to the change in circumstances and environment (Butler et al 2009; Raturi 2009). There is an implication here, in that it would be optimal to understand the employee and manager experience in more depth, so there might be recommendations for practice in terms of change management and leadership approach in such circumstances.

An environment creating 'survivors' is one of low worker commitment, centralisation of decision making, loss of innovation and trust, lack of teamwork and leadership and decreasing morale (Hansson 2012). In contrast, in the 'everyone must go' environment of a plant closure, a counterintuitive response of increased productivity is often experienced (Hansson & Wigblad 2006; Hasanen et al. 2010; Schwerdt 2011) and this was also confirmed in this case. This runs contrary to the expectations of many executives. This was certainly true of the site under study, which was considered high risk from a productivity and quality perspective, and was effectively placed on a 'watch list' with the company quality organisation. The expectation is that an organisation which downsizes creates lower levels of job security which in turn leads to negative job performance by disengaged employees (Gandolfi & Hanson 2010, 2011). The explanation for the increased productivity experienced in this study does not support the Hasanen (2010) suggestion that the loosening of managerial control was a driver. This was not experienced in the case under study, but the Hasanen (2010) drivers of a sense of organisational injustice and the 'vain hope' of retention are broadly supported.

With respect to the experience of employees during closure, the author found a rich applicability of the Kübler-Ross (1973) model to the emotional journeys experienced by employees. The implications of this framework contrasts with the assumptions behind the planned genre of change models (Lewin 1947; Lippert 1958; Huse 1980; Bullock and Batten 1985), an in-house version of which was adopted at the commencement of the closure event. The Kübler-Ross (1973) model was developed to explain the emotional journeys of people faced with a diagnosis of terminal illness. However, it was proved to be a good fit to the patterns of grieving and loss associated with the change from 'obliviously secure' employee to one facing certain redundancy, which, following the shock of the announcement became the primary focus for the employee. More broadly, employee coping strategies and responses to the change in employment status were explored and demonstrated differing needs dependent on history, circumstances and aspirations. These insights led to the development of a segmentation model which helped the author in practical terms in categorising support strategies.

Employees demonstrated a high degree of cognitive awareness regarding their own and the wider group's contribution following the closure announcement. There

seems to have been an effort to ensure that the site performed to the highest possible standards to avoid undesirable corporate attention that would have necessarily stifled the supportive approach of local leadership, particularly in the area of creating opportunities for personal development. Employees conveyed a clear understanding of the dynamics of performing for the business and their influence on others. The author suggests this is a common theme developing from the interviews and certainly has influence on team performance. This resonates with the assertion that group goals positively affect group performance, as supported by studies undertaken by Dewett (2003), promoting the concept of interactionist group feedback originating with Bates (1950). This in turn allows the manager to create the endogenous future (delivering for the business until closure) of which the employee is part and also becomes a facilitator of the exogenous future (role outside the organisation, following site closure). This opportunistic support has a clear relationship with the leadership approach that can be taken.

The exploration of manager experience culminated in an overwhelmingly supportive approach taken to the needs of employees, with many senior managers toward the end of their careers seeing this as 'their last act' in a business sense. Such a response fits with the 'moral duty or commitment' arising from research of group identity in other change scenarios but not closures (Kramer & Tyler 1996). In this respect the managers became facilitators of employee development, many taking more of an interest in employee aspirations by sense-checking their relative aspirations and then making tangible plans with the employee. The tone for the management approach was set by the site leader who positioned the site as the 'best place for a transitioning employee', since they would be able to develop themselves and exploit corporate training and education resources, safe in the net of a generous retention incentive. The managers themselves were also involved in the development of the 'retain, deliver and engage' strategy, which blended severance payments, financial education, career planning and training and development elements.

In terms of leadership approach, it is apparent the concept of 'servant leadership' has relevance as managers redefined their own roles in a move away from self-serving interests and toward the common good of a functional, prepared and confident but displaced workforce. This servant first, leader second (Wong 2007) paradigm of leadership genuinely focused on employee growth, development and longer-term aspirations. This transition from a leadership focus positioned around process and outcome to one of people and future seemed to happen naturally following guidance from the site leader. Managers demonstrated a determination to create a positive workplace, despite the adversarial circumstances. In this respect a positive environment within the workplace has been classified as a key determinant in retention of employees (Wong 2002; Wong & Gupta 2004). The leadership personality that was developed was certainly employee first, with managers taking a servant-like role and this was borne out during interviewing. Some other evidence of

servant leadership evolving in plant closing scenarios has been recently reported by Christ-Martin (2014).

Schwerdt (2008) argues that management and workers adjust their expectations about a given employment relationship and the closure announcement heralds a new informal contract between management and employees. The change gravitates to the 'instrumental collaboration' termed as such following a study of collaboration amongst a peer group of professionals who come to understand the value to themselves of participating in the 'greater whole', despite reservations early in the process. This is a phenomenon that the author believes has manifested itself in this study and aligns with the 'same boat' finding of the study, which articulates a shift in the relationship dynamic between employee and manager. This common group identity saw employees collaborate and managers become part of the wider Gloucester site employment community.

The duration of notice period does arise as a significant issue in the research (Rydell and Wigblad 2012; Marks and Vansteenkiste 2008; Cassio 2002; Carroll 1985). It is argued that this 'sets the scene' for the leadership-employee relationship and this study supports this finding. Employees value the confidence shown in them and, importantly, the time afforded to them to make proactive plans for the future. This facet of decision-making is seen as key to building of trust early in the closure, in that management allowed itself to be vulnerable to the potential actions of employees (Kramer & Tyler 1996).

An important caveat to the long notice period is that when combined with a generous financial incentive, it gives the employee something to stay for, otherwise without incentives, it is clear that mobility of employees is encouraged. Certainly, exits following announcements of closure are to be expected and have been studied. It has been suggested that the workforce immediately prior to exit is either more skilled (Fackler 2012) or less skilled (Schwerdt 2011; Lengerman 2002) but studies do conclude that women are generally less likely than men to stay in distressed firms to final company exit. Schwerdt (2008) concludes that those less likely to quit as a result of plant closures are younger than 50, have longer tenure and are less well educated than their peers. The study classifies 'early leavers' as those who exit the business at least two quarters prior to the final closure. These workers suffer less in terms of employability than those who stay until the end of the closure and are ultimately displaced by the closure event. These 'early leavers' are often younger, married, technically schooled, have a high level of internal training, have higher job evaluations and are better educated, often commanding higher earning positions externally by leaving the business. He also suggests that each plant closure has some warning signals beforehand and is seldom a complete surprise for the workforce impacted. In this study the author found the financial incentives to be effective for retention and losses limited to three personnel immediately following the announcement who fit the 'younger than 50 and skilled' descriptor. Employees

shared the view that the financial retention incentive was regarded as generous by referent standards.

The announcement of closure and providing a long notice period has an element of risk integrally woven into the decision. Although there are asymmetries in power and dependency in such situations, there has to be a level of trust by management in the employees to share such potentially devastating information at an early stage. In this study, there was clear evidence of perceived trustworthiness of employees among managers, and willingness on their part to accept vulnerability as managers (Kramer 2012).

A great deal has been learnt through interviewing staff and managers about those personal experiences. Although the closure can be regarded as a relative success, even considered as 'best practice' by both the Unions and the government regulator, this wasn't necessarily attributable to the effectiveness of the intended change management model (i.e. GE CAP). It has become clear that local leadership took a more pragmatic approach, more akin to the 'emergent' mind-set of change management (Beckhard and Harris 1987; Kanter 1992; Lueckes 2003) as opposed to the planned model (Lewin 1947; Lippert 1958; Huse 1980; Bullock and Batten 1985) of the Change Acceleration Process. Certain components of the model made an impact and are both suitable and fundamentally powerful aspects of an effective site closure. However, this isn't the complete picture; it is bereft of certain key building blocks which are critical to a plant closure. The pragmatic/emergent approach adopted by leadership generated certain dimensions of these building blocks but the author considers that there is significant room for improvement as a result of the learning generated in the case.

There are a number of key findings and new insights that the research proposes in the areas of employee and manager experience, applicability of change management models and leadership approach in the face of such extreme instances of change.

For the understanding of **employee and manager change experiences** of facility closures:

- **Employees can be differentiated in terms of retention and support,** financial incentives, training and development packages, career planning and financial planning form a core of support and retention. Monetary packages are of critical value as an employee support and management retention tool. Employees feel that a pressure has been removed if these incentives are generous relative to previous experiences. The study supports the assertion of Thornhill et al. (2000) that employees will trade influence and promote compliant behaviours in the face of a generous financial incentive. In the study, the employees were grouped into the descriptive categories of retirees, geographically bound careerists, geographically mobile careerists and career

changers. This segmentation model was operationally useful in the development of differentiated programmes of employee support.

- **Notice period** gave the employees the luxury of time to plan for the future and was valued in both a symbolic and practical sense. Symbolically, it was seen as a voluntary sharing of sensitive business information, which translated as the employees being trusted. It was clear employees understood that the information didn't have to be shared as early as it was in practice. Practically, it meant that employees could plan for the future in terms of training, the next job and provide themselves a secure footing financially.
- **Group cohesion** was regarded as enhanced by the employees interviewed. Employees that had undergone selective redundancy exercises explained that the application of selection criteria can cause angst amongst employees. Survival mode kicks in and can lead to competitive negative behaviours, whilst a complete site closure can lead to collaborative and supportive behaviours. In a site closure, no-one is surviving at the expense of another and therefore team mates tend to 'look out for one another'. Everyone is making the decision to 'stay or go' but nonetheless everyone is facing redundancy, not a selected few. The closure condemns everybody and is unilateral and hence creates a powerful, shared narrative for the entire workforce. It is suggested that a smaller site (less than 150 staff) may offer an opportunity for cohesiveness that doesn't exist in a larger community, as asserted by anthropological studies conducted by Dunbar (1992).
- **Instrumental collaboration (Schwerdt 2008)** was experienced at the facility in the form of a rebalancing of the employee-manager relationship. This did not involve a 'managerial retreat from the shopfloor' as cited by Hasanen (2010), predominantly due to the company culture. Instead, managers accepted the challenge of working within a vision of developing employees for the future whilst delivering for the company in the short term. The approach was servant-based and generated the high levels of employee cooperation required to deliver product, transfer technology and close the facility. Employees showed high levels of flexibility to assist the process of freeing up the time for training whilst delivering the manufacturing and supply schedule.

On the **applicability of change management models** to the context of facility closure:

- **The change management model applied** had certain deficiencies that were overcome through an emergent leadership approach within the guidelines of the planned model that was actively employed by the parent company. On analysis it became clear that an emergent response was taken by leadership but the broad framework of the company's planned change management model was adopted. Used as an effective guide for the change involved in

closing, the author has suggested specific improvements which practically 'bookend' the model with preparedness and hand-off phases.

- **No 'one best way' for all facility closures.** The author advises against an assumption of universality of a model that could effectively guide any management team in any closure scenario. Instead, the recommendation is to understand the ingredients present in any effective change strategy and apply pragmatism in an emergent fashion.
- **Change readiness** is a process of due diligence that although not followed in the case, on reflection has great power in identifying and mitigating risks that might occur, due to internal organisational characteristics or external environmental threats.
- **Context is critical** in respect of developing the change strategy, since an understanding of the industrial, geographic and organisational context ensures a grounded and sensitive development of the change methodology. The author argues that change bereft of context is fundamentally deficient and is akin to ignoring base rates in analytical decision making.

The **impact of leadership approach** on a facility closure:

- **Productivity improvements were experienced** during the study, thus providing some support for the 'closedown effect' characterised by Hansson & Wigblad (2006). However, reasons offered for the effect by Hasanen (2010) of a cutting of managerial control, sense of injustice and the 'vain hope' of decision reversal are not completely supported by the study. In particular, the disengagement of management was not evident. Instead, the evolution of a servant-oriented approach was experienced and is discussed below.
- **Notice period** gave the employees the luxury of time to plan for the future and was valued in both a symbolic and practical sense. Symbolically, it was seen as a voluntary sharing of sensitive business information, which translated as the employees being trusted. It was clear employees understood that the information didn't have to be shared as early as it was, in practice. Practically, it meant that employees could plan for the future in terms of training, the next job and provide themselves a secure footing financially.
- **Trust in local management** increased during the site closure, creating a cohesive and collaborative employee-management unit, which created an environment of employee compliance and support. Much support was found for the assumption that informing employees of the closure at an early stage provided a platform for a trusting employee-manager relationship. Critically, the management team were seen as in the 'same boat' and rather than managers asserting this themselves, it was volunteered by employees in the study. There were positive expectations by employees in reference to the

behaviours and intentions of the managers. This facilitated the emergence of a shared identity between managers and employees, while an agenda was created for their endogenous and exogenous future states.

- **A democratic, servant-oriented leadership** model evolved during the closure, leading to high levels of engagement by employees who invested significant discretionary effort. Managers nearing the end of their careers talked passionately about their 'last act' in the business being important to them, and positioning junior employees positively for future jobs became a key focus.
- **Differentiation of local and global leadership.** Employees made a clear distinction between global and local leadership and this became more intense during the closure. As mentioned above, the local management team were seen as in the 'same boat', whilst the global leadership were viewed as the ultimate executioners. As well as impacting employees, there was evidence of change in manager-employee relationships, in that there was more 'externalising' of the corporate whole. This allowed the creation of a 'common enemy' and something akin to a 'siege mentality' at the facility. This was also fostered by a 'maverick' response by the local Site Leader, whereby employees and managers alike could see some pragmatism being applied to company direction and demands. A fine balance was achieved in the respect of representing the employee interests whilst remaining credible with external executive leadership.

Chapter 5: Conclusion

No story is the same to us after a lapse of time; or rather we who read it are no longer the same interpreters. (George Eliot)

5.1 Introduction

This empirical study has important implications for the management and motivation of staff during a site closure event. The experiences of employees and managers have been studied, the leadership approach has been investigated and evaluated and further to this the applicability of change management models in such scenarios has been considered. Importantly, employee perceptions of the management actions during the closure have also been explored in the context of leadership approach. The case itself offers some guidance on the utility of change management processes, along with recommendations for leadership style.

Furthermore, existing theory is discussed in the context of the research findings generated from the Gloucester case. The field of closure management is a relatively under-researched area, as Hansson (2012 p112) asserts “little is known, both amongst scholars and practitioners, of what happens in an organisation during the process of plant closure. Furthermore, existing research has focused on causes and consequences of decline, downsizing and turnarounds.” This study focuses on one of the practical outcomes of one of the possible decisions of a corporate restructuring initiative, that of a plant closure. Such a decision leads to multiple job losses and consequentially life change for employees and managers at the plant. This work intends to progress the understanding of those experiences of change, offer some insights on the utility value of change management model and offer perspective on the impact of leadership approach in facility closures.

5.2 RQ1: What are the employee experiences of change during a shutdown?

The study has unearthed some valuable insights into the employee experience of shutdown scenarios. A valuable finding is the need to categorise employees to ensure that support packages are appropriately identified. The case study has yielded four categories that are focused on the intentions of employees on exiting the organisation. Such categorisation is both symbolic, in that employees can see customisation around their intentions, and practical in that the tailored support had more utility value to them.

The study has also shown that meeting or exceeding productivity targets can be reasonably expected in a shutdown if employees subscribe to the collective notion that the site has been unfairly selected and therefore has ‘something to prove’, given appropriate leadership behaviour (see 5.3 below). It is also the case that employees

demonstrate professional pride in such situations and wish to leave the organisation with their 'heads held high'.

The notice period offered to employees was found to be a significant determinant of positive employee experience and again is both symbolic, in that employees are trusted with the information and also practical, in that it gives employees the time to plan and prepare. Employees identified strongly with local management and regarded their plight as similar and in a sense the site community was galvanised, as employees valued the unselfish actions of their respective line managers. This led to a clear differentiation of the employees' part of their feelings with respect to local and global leadership, with the latter blamed for the closure and the former praised for ameliorating its effects. A fundamental determinant of employee satisfaction was shown to be the generosity of the severance payment and this was favourably compared to previous experiences. This payment not only provided an anchor with which to retain employees but provided the employee with a financial buffer with which to insulate themselves from the effects of exit.

As employees came to terms with the demise of the organisation, after the initial shock, thoughts turned toward the future, potential jobs and life plan. This led to a rebalancing of the employee-manager relationship, although not in the form of the 'managerial retreat' surmised in previous research by Hasanen (2010). Instead, there was evidence of instrumental collaboration, where different sub-cultures evolved and employees experienced high levels of developmental support from their managers and organised work groups for the best personal effect (Schwerdt 2007).

5.2.1 Employee diversity, segmentation and differentiation of support

As employees were consulted, it became clear that there was significant diversity in their post-closure aspirations, depending on their age, experience, personal situation and other factors. At the outset, many employees were actually open-minded about the future and felt it optimal to remain flexible and open to the possibilities regarding opportunities after site closing. However, as employees 'made sense' of the future amongst themselves, and with their managers and external support, their aspirations became a focal point for self-identification.

As the study unfolded, a pattern became clear, as discrete groups of individuals at the facility became identifiable, with fundamentally different needs and aspirations during the closure period. These groups were classified as follows:

- Retirees – those planning to retire with the extra security of a redundancy payment, or enter semi-retirement by releasing part of their pension due to the 'lifestyle event' clause within the occupational pension scheme. (The pension scheme was a 'final salary' pension scheme and through independent financial advice many had decided release reduced but earlier pension payments).

- Career Changers (geographically bound or mobile) – people using the closure as an opportunity to retrain for another career for security, aspiration or ‘bucket list’ reasons. All those in this category planned to stay in the area to do this and were therefore geographically bound but an alternate approach could be that of mobility.
- Active careerists but geographically bound – those who planned to continue with their current career specialism but accept some compromise on the basis that they were geographically bound for partner, family and/or associated reasons.
- Active careerists but geographically mobile – those planning to use the experience as a springboard for their current career and seeking the ‘next level up’ role by moving to where the opportunities were following the site closure.

Naturally the needs of each group were different and this was shared during the interviews. The **Retirees** required:

- Guarantee of departure date due to retirement age and plans.
- Understanding of company exit and financial advice regarding taxation and use of pension schemes – additional voluntary contributions (AVCs).
- Retirement support – help making the transition.
- Within the retiree group, ‘Semi-retirees’ and ‘Downshifter’ needed advice around maximising income and living within the new income.

Career Changers required:

- Advice from an outplacement support agency about making the career switch happen. For many this was a real ‘leap of faith’, with a great deal of doubt and uncertainty to overcome.
- Support from the appropriate professional bodies about appropriate qualifications and career entry criteria.
- Business start-up guidance and planning templates.
- Release dates on basis of key intake milestones for university, teaching etc.

Active careerists (geographically bound) wanted:

- Financial advice for an anticipated drop in salary. Those wishing to stay in a specific geographical area often experience salary compromises, whilst those moving to where their skills are required can command equivalent or even superior salary packages (Chapain & Murie 2008).

- Access to local opportunities in their field through agencies and outplacement support.
- Skills analysis, CV writing assistance and planning help.
- Valuable on-site or in-company training experiences like Lean, Six Sigma, presentation skills, Microsoft Office etc.

Active Careerists (geographically mobile) wanted generally similar support to those who were geographically bound. However, they did not anticipate a reduction in salary but on the contrary expected a higher salary and a likely increase of responsibility in career terms.

As one might imagine, the groups navigated the change in very different ways. For the Retirees there was some anxiety about the actual closure date being extended and having to delay retirement plans to avoid missing out on the redundancy package (these individuals would have been regarded terminating employees if leaving prior to closure). Many had clear plans regarding activities after retirement so there was perceived to be a fine balance between delivering for the business and exiting employment.

The ‘geographically bound careerists’ had made a clear decision to stay in the area and although they hoped to find equivalent pay, they accepted that due to their tenure in the company they had accumulated a number of pay rises associated with service and would need to ‘start over’ in the new company. These individuals seemed to clearly understand the need to make themselves marketable and had used the career support packages to discover their own marketable and transferrable skills. Parallels are found in other studies wherein employees use the closure event to galvanise their own personal development, to enable them to secure external opportunities (Chapain & Murie 2008).

Segmenting the Employees of Closing Plant

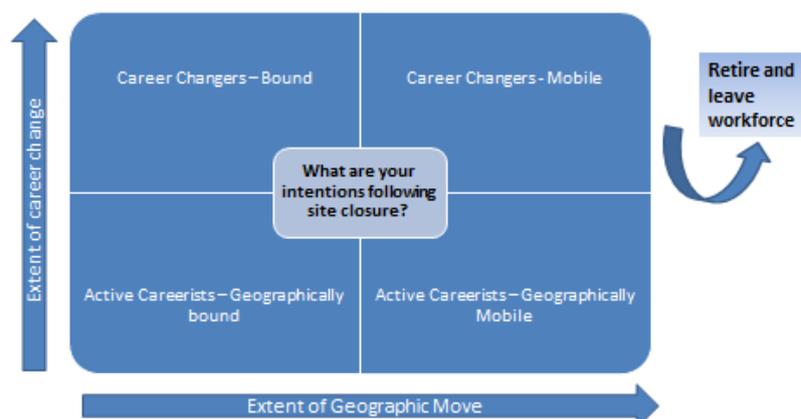


Figure 21: Intention-focused Employee Segmentation Model (appendix 6)

What is clear is that, although segmentation and categorisation is a tool of choice for marketers, it is not commonly used in change contexts such as closure. This is counterintuitive, since understanding those impacted by the change leads to intelligent strategy development in terms of support and incentivisation, but without 'pause for design', opportunities to develop individual retention and engagement tactics can be missed. The categories generated by this study are not necessarily generalizable, but may apply effectively in other closure instances. Perhaps more importantly, the process of differentiating staff on the basis of their intentions on exit is a recommendation of the study. As people face redundancy with different plans and aspirations, the role the organisation can play in empathising with their predicament is potentially powerful, with the possibilities of long term organisational advocacy. Importantly, the management team can begin to understand the 'lens' through which the employee views the closure strategy execution and its relative sensitivity to the personal circumstances of each member of staff.

5.2.2 Value and meanings associated with notice period length

The period of notice given to staff is critical for two reasons. The first is practical, in that it gives employees time to come to terms with the redundancy proposition over a humane period of time. As one respondent put it, 'it takes the pressure off, you don't have worry about the bills for quite some time'. The second reason is entwined with employee perceptions of how they are trusted by management. It is clear that employees understood the deliberations that management had to undergo to determine whether such a long notice period should be afforded to the employees. The risks were clear to the employees, in that should they have felt uncomfortable, they could have 'abandoned the sinking ship' earlier. Employees clearly shared the responsibility they had been given with the advance notice period and interpreted this as being trusted by management. This helped employees with the transition from the 'obliviously secure' status to the 'about to become redundant' employee.

The decision to share the closure decision with staff as soon as is practical is an important one. It sets the tone for on-going management-employee relationships throughout the closedown. However, even though it demonstrates trust on the part of management, the context of the historical relationship between management and employees is important. In essence, a risk assessment or change readiness assessment should be performed, since there are employee flight risks to be considered. In the case of the Gloucester site there had been a history of organically grown leadership, with whom the staff team clearly identified and therefore the announcement was undertaken in a relatively 'safe territory'.

5.2.3 Group cohesion - employee definition of community

The employees defined the community impacted by the closure decision to include the managers as well as employees at the facility. This distinction is important, since local leadership were regarded as 'messengers' of a decision that had been made externally and so were not the ultimate executioners. The fact that managers were noted as expressing emotion during the announcement process was remembered by employees as an act of sincerity and in turn this led to the managers subsequently behaving in an empathetic and compassionate manner. The community was therefore regarded as being 'done unto' in terms of a closing decision that was out of the hands of local management. If employees had believed managers to be culpable in terms of the closure decision, this perception could have been markedly different. The cohesion that employees and managers fondly remarked upon was a phenomenon that evolved as the closure strategy unfolded, discussion between the two groups developed and technology transfer milestones were passed. The level of trust had the potential to grow or reduce, dependent on the actions taken by management and the strength of the relationships and bonds established throughout the closure period.

The relative intimacy of the group was therefore regarded by the employees as significantly heightened. Employees used their own experiences of selective redundancy as comparators to the site closure event. The relative absence of negative competitive behaviours was contrasted with collaborative and supportive behaviours in the site closure. Importantly, no-one would be surviving at the expense of another and therefore team mates tend to 'look out for one another'. Everyone is making the decision to 'stay or go' and all are facing redundancy should they decide to stay. The closure condemns everybody and it is in this shared loss that a bond of camaraderie evolves. It is suggested here that a smaller site (less than 150 staff) may offer an opportunity for cohesiveness that doesn't exist in a larger community, as asserted by anthropological studies conducted by Dunbar (1992). In this community, the shared grief of job loss powerfully bound the community together in a collective empathy that helped provide the group with an identity that transcended the previous order and way of getting things done.

5.2.4 Managerial experiences of change

The research has yielded further understanding of the managerial experience of a facility shutdown. As with the non-management employees, it is important to emphasise that there was diversity within the management group, in terms of age, seniority, aspirations and other variables. What is clear with respect to the investigation into manager experience is that these individuals navigated both an individual and collective journey. The categorisation model has its uses here in understanding both journeys, but also identifying the exit intentions of the manager. Whether retiring or looking for alternative employment, the additional task of feeling responsible for the employee experience is no doubt a challenge.

The post-closure intentions of the managers had some influence on how they saw their role during the shutdown. Notably, it was the longer-service managers intending to retire who tended to adopt a servant leadership approach most readily, although movement toward this attitude to managing staff was widespread within the management group, and reported as such by several employees.

5.2.5 'In the same boat' – trust and empathy

While an environment of mutual empathy manifested itself during the closure, the employee-manager boundaries were respected and managerial authority was maintained. However, whereas in many closures managers might be viewed as operating within a different set of circumstances due to their positions, there was substantial evidence that employees really did regard the managers as being 'in the same boat'. In fact, this was actually the case, in that ultimately every manager, excluding one junior member, did exit the business and hence each leader was indeed in the very same boat toward redundancy as the employees.

An appreciation of the 'same boat' phenomena being reported by employees offers an important distinction to the manager-employee relationship dynamic in two areas. The first is a perception by employees that they could identify with managers on a personal level, which led to easier rapport building. The second area is that of empathy, in that managers could be genuinely empathetic with employees and were perceived to be as having such approach. This allowed managers to step resourcefully into the shoes of employees and understand the feelings and perceptions of staff facing such a critical phase in their lives. The role of counsellor or mentor in such change scenarios can be powerfully assisted by relevant personal experience but more notably by a leader who can impart strategies for coping with a contemporaneous personal and team change (Stengard et al 2014).

This demonstration of concern for employee welfare is suggested as a determinant of developing trust in the manager-employee relationship. The three aspects of showing consideration for employee needs, protecting the employee interest and refraining from exploitation, are considered key in the nurturing of trustworthy behaviour (Whitener et al 1998). The 'same boat' scenario certainly assists with the manifestation of these dimensions in that managers in an empathetic mind-set due to their own circumstances are more inclined to show a genuine interest in employee needs and refrain from exploitative behaviours, particularly if they feel justly treated themselves.

Intuitively, it would seem employees recognised the potential of a relationship and the trust dynamic existing at the time. The author contends that the history associated with the affiliation of team members has a critical role to play, and that maturity of connections between staff and managers can be regarded as pivotal. Indeed, recognition of the history of relationships and status of the trustee-trustor

dynamic should be a primary consideration for evaluation in any readiness assessment.

5.2.6 Instrumental collaboration

In contrast to the passive response to closure of 'managerial retreat' reported by Hasanen (2010), this study identified different, more active, patterns of response. These could be described 'group interest' responses, whereby managers played a fundamental role in facilitating the delivery of two parallel futures: the endogenous or internal future of continuing production at the site and the exogenous or external future of the community outside the corporation. Achievement of the 'internal future' required commitment and engagement from the team to ensure that the organisation acquired the 'breathing space' required to deliver these parallel futures. The global executive was acutely aware of the risks posed by a closing facility and the consequences to the corporate brand should employee relations sour, or worse, a major quality breach occur that might result in regulatory attention and potential close oversight.

The effect of an external threat in drawing group members more tightly together is a well-established phenomenon and the resultant increases on group cohesiveness have been studied. Moreover, some studies have identified the positive impact of task success on group relationships, whilst task failure has led to a dilution of internal group cohesiveness (Staw, Sandelands & Dutton, 1981). In this study, at the site level, 'success' was incremental, with confidence built 'brick by brick' with each production target, regulatory inspection target, company inspection or production challenge achieved. Each successful step contributed to the confidence of corporate management in achievement of the endogenous future. Within the Gloucester site community, it had the effect of reducing the perceived threat of increased corporate surveillance and intervention. It also had the effect of reinforcing trust, community cohesion and mutual empathy, which in turn increased the effectiveness of internal communication and, in complex ways, enhanced the prospect of the exogenous future for everyone at the site.

Rather than managerial retreat, there is evidence of the Schwerdt (2008) phenomenon of 'instrumental collaboration' following the closure announcement and period of reflection. Managers were clearly aware that the company required on-going and uninterrupted supply from the facility whilst technology was transferred to another site within the European network. This also required assistance from the donor site team to help the recipient site embed the transferred technology and trouble-shoot technical problems as they arose. This needed employee cooperation and the employees conveyed a clear awareness of this fact and an inextricable link with a secure and successful closure date. Importantly, the closure outcome was reinterpreted as in the employees' interest as the closure progressed – with predictable date of departure and secured retention payment being the primary area of focus.

The findings suggest that rather than being obstinate and obstructive, the site team assisted the technology transfer professionally and wholeheartedly since, through sense-making discussions, the team decided it as in the 'group's interest'. To have the closure plan achieve the timescales would provide the team certainty in terms of departure date and also invite less corporate attention, which would translate as managerial flexibility with regard to release of staff for personal development activities. This again supports the Schwerdt (2008) suggestion that the group dynamic can be positively influenced by the stimulant of a closure announcement.

The same level of engagement was required for the on-going supply of products and also performance in front of the government regulator. Again, the site team decided it was in the 'group interest' to perform to the highest capable standard since less corporate attention would be attracted and as such would allow local leadership more control over site affairs. Evidence shows the team worked diligently to improve the site's regulatory standing with the government, culminating in the achievement of a zero major regulatory findings position, which had not been achieved in a decade.

Managers did not retreat from the shop floor, partly due to the stringent local management controls enforced by the American parent company. These operational reviews and checks were not reduced in intensity during the closedown process and this placated the parent company. It would seem the original intention of corporate HQ would be to place the site under additional scrutiny and have the facility on a 'risk watch list', but with heightened performance and leadership engagement early on in the process, this led to a change in stance and some distancing of the executive (off-site) leadership.

It is suggested that instrumental collaboration was experienced at the facility and this manifested itself in a shift in the established managerial hierarchical relationship towards a pattern of servant leadership. This was certainly not a 'managerial retreat from the shop floor' as cited by Hasanen (2010).

It is posited here that the managerial response was very much a condition of organisational context, and that certain work cultures would make such a response extraordinarily difficult. In this case, managers embraced the challenge of working within a vision of developing employees for the future, whilst delivering for the company in the immediate term. This was regarded as servant leadership and generated the high levels of employee cooperation required to deliver product, transfer technology and close the facility. Employees volunteered high levels of discretionary effort, which resulted in schedule flexibility and enabled staff to attend a high volume of training without compromising performance.

This 'group interest' theory recognises that the quality of life at the closing plant will be determined by the amount of regulatory and corporate attention and in this instance less is more. To reduce such attention requires the team to operate at high levels of engagement in the areas of productivity, quality and safety. This is

effectively delivered through higher levels of collaborative working amongst teams which are effectively 'looking out for each other'.

5.3 RQ2: How applicable are existing change management models to shutdown scenarios?

An important dimension of the research has been to discuss the utility value of change management models in the face of strategic change of a site closure nature. Such models have ostensibly been created from both academic and business fields to help managers in the quest for seamless changes with as little disruption as possible. Certainly, the management team in the case was directed to use a change model to help breakdown the management task ahead. Ultimately, the author has found a shortfall in the applicability of this particular model but this has led to suggestions for potential improvement. Alternative models were found to be appropriate to the context, including Kübler-Ross's 'stages of dying' and Bridges 'transitions' models. Both of these models acknowledge the importance of emotional change and the notion of key stages in dealing with loss, and these resonated strongly with those interviewed. Furthermore, on examination of existing change management research there are potentially areas of knowledge to which the case might constructively offer contributions, particularly in the area of change readiness.

5.3.1 Did the CAP fit? Applicability of the GE change management model

The closure in question initially used GE's in-house CAP (Change Acceleration Process) model to help the leadership team structure the closure process. After some review, this model would seem to have lineage from the Lewin 'freezing' model and aspects of the Kotter eight-step process. Since the corporate environment is one of highly structured processes, it is perhaps surprising that there is no 'facility closure manual' but after searching for this throughout the organisation, it became clear that, apart from the generic CAP model that this did not exist. It would seem not to exist in other corporations either, leaving managers to 'find their own way' when faced with the task of closing the facility.

The CAP model is generic and is meant to be applied to a wide spectrum of changes within the huge organisation (330,000 employees, \$160 BN revenues: 2013) which is GE. This can mean the model is used a wide range of contexts, including IT implementation, Six Sigma improvement projects and major restructuring projects. The model works through the following phases;

The Change Acceleration Process Model

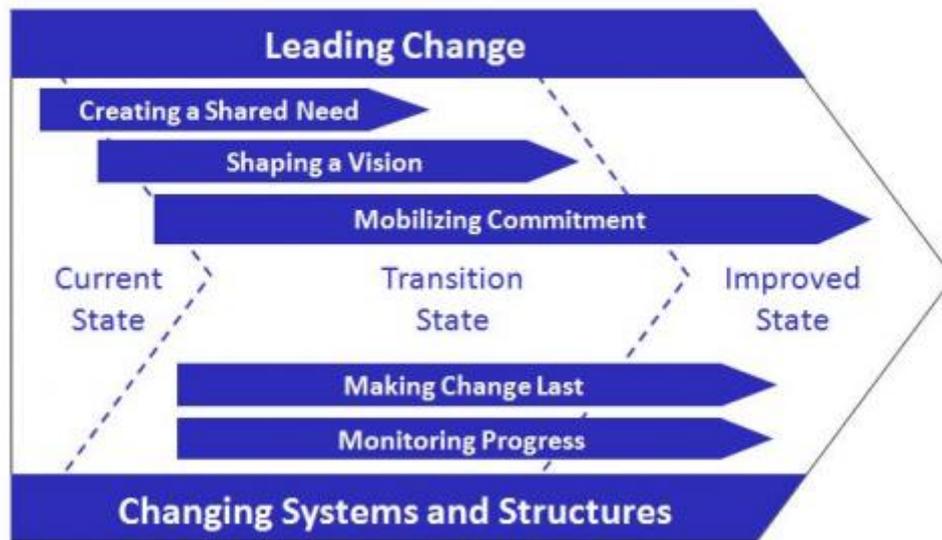


Figure 22: The GE Change Acceleration Process Model

In the case of IT implementation and a Six Sigma improvement project the value of considering the 'softer management' aspects is clear. To a major restructuring initiative this model may also demonstrate to leadership the need to embrace the psychology of change but the 'one size fits all' change model can lose connection to the change context due to its expedience.

Even though the CAP model may well have been appropriate to major restructuring activity in the 1980s, when applied at the plant level to a closure scenario, it fails to address the profound emotional impact of the change, including the collective mourning that is experienced by the team at the facility. This is experienced by managers, who although responsible for executing the change, have to consider themselves facing the loss of often more than the job itself. For many managers, this meant a leaning toward the 'servant leader' concept, whereby those that work for them are put first. The employees expected to see a response from local leadership in that they are given some time together to make sense of the closure collectively. That communication becomes an even more important part of the leadership offering asserted itself in the research. This was seen as key, as employees shaped their role in the closure process and demonstrated a form of ownership in how events unfolded at the shop floor level.

As previously suggested, the timelines between announcement and exit provide an important context for the study in two respects. Firstly, the fact that the management intention to close the facility was shared so soon after the decision had been made, engendered a degree of trust within the employee population. The author had an external example whereby this intention was not initially shared but as plans to transfer products were discussed the news leaked, with employees in uproar and the

trust never regained. Secondly, such a significant notice period gave the staff an opportunity to plan and fully utilise the support resources on offer. This ability to get one's 'house in order' has some real parallels with research on dying, where a prognosis with a longer period of survival allowing patients the dignity of getting their 'houses in order' or completing their 'bucket list' depending on their personal situation.

This mourning process is more ably articulated by Kübler-Ross (1973), as she theorized that following a prognosis of death a person would move through the denial, anger, and bargaining, depression and acceptance phases. This model resonated more clearly with the respondents and the author than did the CAP model. The reason for this was that the Kübler-Ross model accepted the parallels with human mourning and allows expression, encourages patience and ultimately leads to acceptance of grieving on personal terms. For example, early in the closure process, more employees felt that the demonstrable capability of site assets and competence of staff at the site may result in a decision reversal – clearly a reflection of the 'denial phase' of the Kübler-Ross (1973) model.

In contrast, the CAP model wants to 'accelerate' all of this, wants the employee to 'get over it' in the most expedient way. This allows the organisation to move forward and achieve its higher echelon strategic goals, whilst the employees engage, deliver and then ultimately disperse. One would suggest that the GE Model is transactional and is a reflection of the intention behind CAP design. The language of CAP is sharp, driven and forward focused. The closure, however, is an organisational death – not a new way of operating with the same and familiar geography. In these situations, the 'fast forward button' is quite inappropriate and it is the 'pause button' that is actually required. We need to allow the staff to come to terms with the decision and more focus should be given to rehabilitation at the personal level of understanding. Application of the Kübler-Ross model was entirely appropriate in that respect.

How would one tailor the GE CAP model to the closure context? To sharpen the model would translate as recognition of the uniquely challenging circumstances of a plant closure. Unlike a normal restructuring exercise where survivors remain, in this instance the complete facility population will cease to exist as a business unit. In this respect, the need for a collective mourning ought to be encouraged and respected. This might translate as a 'change readiness' stage prior to the 'leading' and 'creating a shared need' phases of the CAP model. Alternatively, this could be rolled into the 'leading' phase as part of a diagnostic preparatory segment of the model. The phase would encourage expression of the shock, denial and frustration components of the Kübler-Ross model and craft a leadership intervention as appropriate.

Unlike the way the decision was delivered, which was articulated as 'business as usual and full steam ahead', an alternative approach would term this as 'business as unusual', with an opportunity to collectively reflect on the personal loss associated

with the announcement. Although some managers instinctively did this, it was not the case for all. However, with a change in practice of CAP for site closures this could be actively coached in the form of compassionate leadership. Questions around the behaviours associated with such 'compassionate leadership' might well be asked in the CAP training workshop given to managers as they are encouraged to consider the parallels between organisational and human death and the best practices in existence in terms of the latter.

In terms of practice, the research points towards key areas for leadership consideration prior to applying the later stages of the CAP model, which were effectively used:

- How soon can the intention to close the facility to be shared with staff? How much development of plans must take place prior to sharing? Will any tangible transfer activity take place at all? Any regulatory filings or approach to national governments made?
- Can a readiness assessment be undertaken which encompasses both the internal workforce dimension and the external threats of the competitive employment?
- How will the management team embrace the shock and 'loss of security' the employees will feel? How will expression be encouraged without the 'business as usual' hand-off which is entirely inappropriate? At the announcement, the individual's world has changed irrevocably and this must be acknowledged in any planning of the closure process.
- If trust is high and has been maintained, how can the management team ensure this is retained throughout the closure life? Much of the research around trust of management undertaken by Philippe & Koehler (2005) could be applied to enhance trust, or rebuild trust if it is considered broken and/or fragile.
- The 'creating a shared need' and 'shaping a vision' phases of CAP should be entered into with a collaborative agenda, emphasising employee stakeholder dimensions.

The author suggests that the CAP model, with these alterations or enhancements, could more effectively be used in plant closedowns of a similar length. The CAP model embraces components of Lewin's (1958) freeze model which accepts the impacts of change at an individual and group level. It also resonates with the Kotter (1996) 8 step models, which calls for a sense of urgency and encourages coalition building, to finally sustain and institute the change in working practices.

5.3.2 Using the ‘transitions’ & ‘stages of dying’ models to enhance understanding of facility closures

The author proposes the enrichment of existing change models arbitrarily applied to shutdown scenarios through the acknowledgement that a closure process is a profoundly emotional experience for all concerned. As discussed above, this can be achieved by embracing the work of Kübler-Ross (1973) and Bridges (1991), with the aim to appreciate loss at an individual and collective level for all employees in a facility closure scenario. The insights gained from such models can help inform decision-making in the formulation of facility closure plans and encourage management empathy with the employees who are facing redundancy.

These pieces of research uncover the need of those experiencing change to ‘mourn’ the loss and ‘let go’ of the past state. Bridges clearly articulates the elements contributing to the loss in the form of belonging, status, familiarity, friendships (need to articulate the losses from the research) and through the research it was apparent that employees and managers alike traversed a journey where such losses were uncovered. The management of the ‘transition’ as opposed to the ‘change’ is the profound offering from the research of Bridges (1991) and as such can be used powerfully to prepare people for change in the dramatic conditions of a plant closure where virtually all staff face inevitable redundancy. The research uncovered some examples where managers allowed employees to spontaneously ‘vent’ following the announcement, which was valued by employees. However, Bridges (1991) contends that poorly navigated transitions are a result of not effectively ‘letting go’ of the past state and understanding the losses incurred. Pausing at the appropriate time and processing and accepting these losses is therefore, important. Hence, the author would specify a period shortly following the announcement where the short-term and long-term transitions are effectively faced through structured workshop and 1-2-1 sessions.

The short-term transition is the acceptance for the employee that they are now working at a closing facility with expectations maintained or even heightened with regard to safety, delivery and cost. The long-term transition is a profound one of identity: from a relatively secure employee working for an international company to a redundant employee looking for alternative work potentially with other colleagues. The model proposed differs from the planned CAP model and would embrace some emergent elements, since the author believes it has been important to let the relative changes and transitions unfold and to be able to respond with some elements of organisational flexibility, in a sense a change process with levels of iteration.

5.3.3 Change readiness assessment – informed management action

What does the study suggest about doing things differently when faced with closing a site? Or, importantly, what are the key issues that leadership should focus on before and during a closure of a facility? One area is a change readiness assessment. Beyond asking the Site Leader his preferences for the announcement,

there was no credible change readiness assessment, which should encompass the following;

Internal assessment:

- Credible plan, particularly around the reasons justifying closure and an understanding of the broad steps required to achieve transfer and closure.
- Clear understanding of all stakeholders impacted – site, community, unions, other sites in the network.
- Previous company history with plant closures – internal routines, checklists or procedures.
- Management experience and competence in change management.
- Management stability - how long have leaders been in positions and is role interdependency high?
- Plant condition and investment profile, is equipment fit for purpose or are there areas of deficiency that would give rise to employee concern?
- Existing relationship between senior management, site management and employee groups particularly with regard to trust and integrity.
- Employee experiences of redundancy and plant closure – capability, motivation and maturity around such initiatives.
- History of change implementation and classical site responses.
- Human resource systems that are in place – are these conducive to change and supportive of transitions.
- Current communication mechanism appropriate for intentions?

External assessment:

- Regulatory events – government regulators, MHRA etc.
- Corporate context – downsizing, growth, alternate strategies regarding acquisition of technologies or internal development prevalent.
- Product portfolio performance in the marketplace.
- Local economic strategy – enterprise areas, etc.
- Macro-economics, local employment, industry employment.
- Recipient site (receiving the technology) dynamics considered, particularly relationship with donor site.

There is power and purpose in such an assessment, in that it prepares the management team, often inexperienced in delivering such an initiative, in a logical way, ahead of what is likely to be an emotionally charged pre-announcement period.

Meaningful conversations with managers about capability and support would also be generated as potential actions around development ahead of time.

To be, and appear, well-prepared and organised in front of the team receiving the announcement is important for management credibility. A thorough internal and external assessment allows for professional preparation and composed delivery of the reasons for closure, the environment supporting the team and the program itself.

More marketable employees with longer tenure are considered more likely to quit following a plant closure announcement (Schwerdt 2008). However, the closure context is important and the assessment would provide an appropriate framework for assessing whether such a best practice was appropriate and the extent to which it would drive preparatory management actions.

The process of change readiness assessment offers a pause for intelligent design on the basis of understanding the needs and potential vulnerability of employees, and the strengths and blind spots of managers, whilst appreciating the complexity and importance of context. The operating environment of closure is one of complex social change where organisation and stakeholders, employees and management, site and network all converge at a particularly brutal stage of the organisational lifecycle. Adept management is possible when context is understood but it can be much more difficult, and sometimes disastrous, without such prior knowledge.

5.3.4 The criticality of context – considering the dimensions of industry, geography and organisational culture

Some other industries require similar timescales for facility closure, such as, for example, the nuclear power. More broadly, this category includes any industry that requires regulatory approval to move production or that might demand decommissioning of major plant. Arguments could be made for the case in other contexts – for example further and higher education, where course obligations would need to be honoured over a controlled period. How an executive team uses the fact that long approval timescales are required is a function of the views, perspectives and values of the team making the decision. There are examples whereby information regarding intention to cease manufacturing is kept confidential until the latest possible stage so that the company actually has confirmed alternative manufacturing facilities and has surreptitiously filed with governmental authorities.

What would seem important considerations are the areas of not only industry context but also geography and organisational culture. It is the view of the author that the dimension of organisational culture was particularly strong in the case, in that the parent organisation has a reputation for being metrics-driven and dispassionately objective as a company. Certainly, during interviews respondents accepted that a site closure was more likely to happen under GE than in the previous employer – Amersham International plc, a UK FTSE 100 company. Several of those interviewed referred to the ‘manager with checklist’ culture which encouraged shop-floor

engagement but also led to rigorous and disciplined application of the company quality, safety and productivity targets. Such cultural characteristics cannot be sensibly ignored when considering the environment for change or application of models or strategies.

The other dimension to be contemplated when viewing the strategies employed or outcomes of a facility closure case is that of geography. The literature review powerfully demonstrates the impact of the consensual Nordic culture on the aspect of employee expectations. Importantly, expectations of trust differ greatly between geographical regions and cultures. Scandinavian cultures show high levels of expectations of trustworthiness of colleagues and the general population – research has shown that 70% of the population answer affirmatively that ‘generally people can be trusted’, in comparison to 10% in Brazil (Hofstede et al 2010).

Nordic culture is particularly relevant to this research because a major part of existing research of plant closure is located within the Scandinavian region. Moreover, much of the site’s production was relocated to Norway, although this was not a central issue. This has important implications for interpretation with regard to employment legislation and general cultural norms. For instance, there are expectations in such cultures around supervisor accessibility, leaders that coach and don’t direct and the consulting of employees. It is suggested that control is disliked and attitudes to managers are relatively informal. The human relations norm is described as one of direct communication and participative behaviours. In societal terms, the Nordic culture values a worklife balance and caring for others whilst competitive behaviour in the workplace is not admired as much as in other cultures. The Swedish word ‘lagom’ illustrates in a powerful way the cultural preference for not ‘standing out from the crowd’; the word translates as ‘not too much, not too little, not too noticeable, everything in moderation’. A fictional ‘Jante Law’ is referred to as part of the national consciousness, which discourages boastful behaviour or arrogance of individuals (Hofstede et al 2010). The author argues that such cultural issues are key in interpreting findings from a case, as well as planning and implementing management interventions.

The way that management actions are perceived and interpreted can be assessed in the convergence of industry, geography and organisational cultural norms. For instance, the fact that the notice period given to the employees was the maximum that could have been given engendered a high level of employee-manager trust. This translated as closure activity starting positively, due to employees feeling powerful stakeholders in how the countdown to closure would unravel. In effect, the executive team ceded power to the employees momentarily, since the decision to share is only successful if the employees decide to stay. Corporate management have one primary objective, which is not to disrupt the supply chain whilst such productivity enhancements (like rationalising sites) are delivered. Disruption to quality from demotivated employees and interruption to supply because of employees’ premature departure are key areas of concern for government regulators (these skills are

critical in production of medicines) and the company owners (revenue and reputation). The notice given to employees was well received since, after the initial shock of the new, it 'took the pressure off' and enabled many individuals to get their 'house in order'. During the interviews employees were resounding in their appreciation of this decision and the subsequent approach taken by the management team.

5.3.5 Towards a contingent mind-set as a closure model

What then would the author propose as a long-term closure model within the GE cultural environment? There are certain components that would be recommended for inclusion in the formulation of the company strategy for closure. This is consistent with the acceptance that there is no 'one size fits all' strategy but that there is 'one best strategy' for each closure under consideration. In this respect, the following elements should be considered.

1. Change Assessment: is the workforce ready and is this the appropriate time? Announce as early as possible but consider regulatory events, competitor employment lifecycles, management stability, corporate context and workforce context. History of change implementation and site response should be reviewed. Assessment ensures the announcement timing is organisationally sensitive and this should be a conscious choice by leadership.
2. Announcement should major on the 'why' of closure, since employees need to understand this premise and resonate with a rationale to help their transition. Focus on the corporate decision mechanics and, if genuinely the case, explain the value of previous and prospective employee contributions and the role of strategy in the closure. This helps depersonalize the stigma of working at a plant selected for closure. Explain the burden of responsibility that comes with 'knowing early' and the safe paths that will be created for employees and managers with the advantage of time and knowledge. Announcing early establishes a platform of trust between employees and managers, communicating the view that employees can be trusted with the information and this is reciprocated.
3. Divide the transition into the short term (now working at a closing site, finite job to do) and the long term (employees facing redundancy), and structure events around each time-bound transition by using a combination of the Bridges (2001) and Kübler-Ross (2005) theoretical frameworks. Both theorists provide powerful elements to structure and management intervention at this stage. For Kübler-Ross (2005), it is the model that can be used to 'know thyself and know thy colleague' in terms of phases and reactions. Bridges (2001) then offers the prompts for discussion in terms of the losses of empire, belonging, community, ritual and routine. It is these prompts that will provide the stimulus for reflection and discussion. Exploring the losses collectively, and facing them, is critical to the 'letting go' action, the often neglected part of transition.

4. It is then that the creation of a shared need and/or a sense of urgency can be actioned. This phase, however, needs to be contingent on the previous two phases and should show elements of sensitivity to the previous steps in how the shared need and/or urgency is articulated. This can also, and often will, translate as a need for the parent organisation to change. Where some non-negotiable requirements exist, these should be confirmed (e.g. regulatory standards, safety requirements, cost boundaries) and the negotiables made clear (training, work flexibility, site visits to potential employers). The shared need should be articulated collectively, and although consensus may not be achieved, the process of exploration of what is required and the acceptance of the changed state will provide transition and change value.

5. Shaping a vision is critical in any change, in that the 'future state' is clearly explained in behavioural and, where appropriate, aspirational terms. The behavioural terms of engagement which should relate to both organisational and individual perspectives should be mutually agreed. The organisation has a right to seek high levels of engagement, where trust is high and socially responsible route to closure is being taken. Trust has emerged as major determinant of likely success and as such should be gauged by the management team in terms of perception, with an effort to address the levers of mistrust that exist in organisational circumstances. Facing the reality of the changed state and individual circumstances is key in the midst of a closure event.

6. Mobilizing commitment, with a focus on diverse interests, key constituents and coalition. Diagnosis and interpretation of the diverse interests of individual members of the group is fundamental, since there will be significant differences and the author offers the segmentation framework of retirees, careerists (geographically bound), careerists (geographically mobile) and career changers. Depending on context, individual needs and requirements may be only subtly different in some situations or dramatically diverse in others. The key constituents can be identified by determining whose and which competencies are required to maintain the organisation as a viable concern. The coalition needs to embrace the functions and hierarchy if it can and an important distinction in the case study is that local management rather than senior executives are seen as key in facilitating the environment of ongoing contribution. To some extent, trust in senior management is broken by making the decision to close, whilst local management who were seen as impacted themselves can maintain or enhance trust in themselves.

7. Making change last, which is an integral element of most change management models. For example, the standard CAP model embraces the 'immediate game' (short term transition) and the 'end game' (long term transition). In the closure context there must be immediate and long term change strategies. The work of Heath and Heath (2011) can be used effectively in this respect, by heeding the advice to shape a safe path by scripting the critical moves, tweaking the

environment, building habits and rallying the herd. This way one can expect the changes to persist until ultimate closure.

8. Monitoring progress – creating and installing metrics to assess the success of change, including milestones and benchmarks to chart progress along the way. In closure, the metrics can be clearly focused on ongoing delivery to the business and then management accountability for the support arrangements around training, financial advice and career management. Ultimately, delivering for both the business and the employment community. ‘Bright spots’ can be used effectively here to demonstrate success and maintenance of levels of performance that are key to business operation. The closure plan is important here and measured progress versus milestones (in business delivery, transfer plans and plant decommissioning) a powerful form of communication, since trust is maintained by a steady progress toward the closure date. If there is nothing to say, then it is still important to bring the site together, otherwise absence of reporting will allow the curious to start raising questions as to whether the closure is on track or whether something sinister is afoot.

9. Setting the birds free: after explaining through the appropriate communication channels that the employees have delivered on the business commitments and the managers carried through the employee community commitment, the time to release employees will arrive. It is critical that this is handled sensitively, with objectivity and pragmatism. Transparency with the criteria used to determine release dates is important in maintaining trust. If pragmatism is being exercised, for example to allow an employee to meet an unmoveable milestone for future employment (e.g. a trainee teacher to meet a university start date) then this should be clarified and explained. The expectation that all needs can be met is unrealistic and therefore there will be some disappointment, but if grounded in objective criteria and transparency that can be defended.

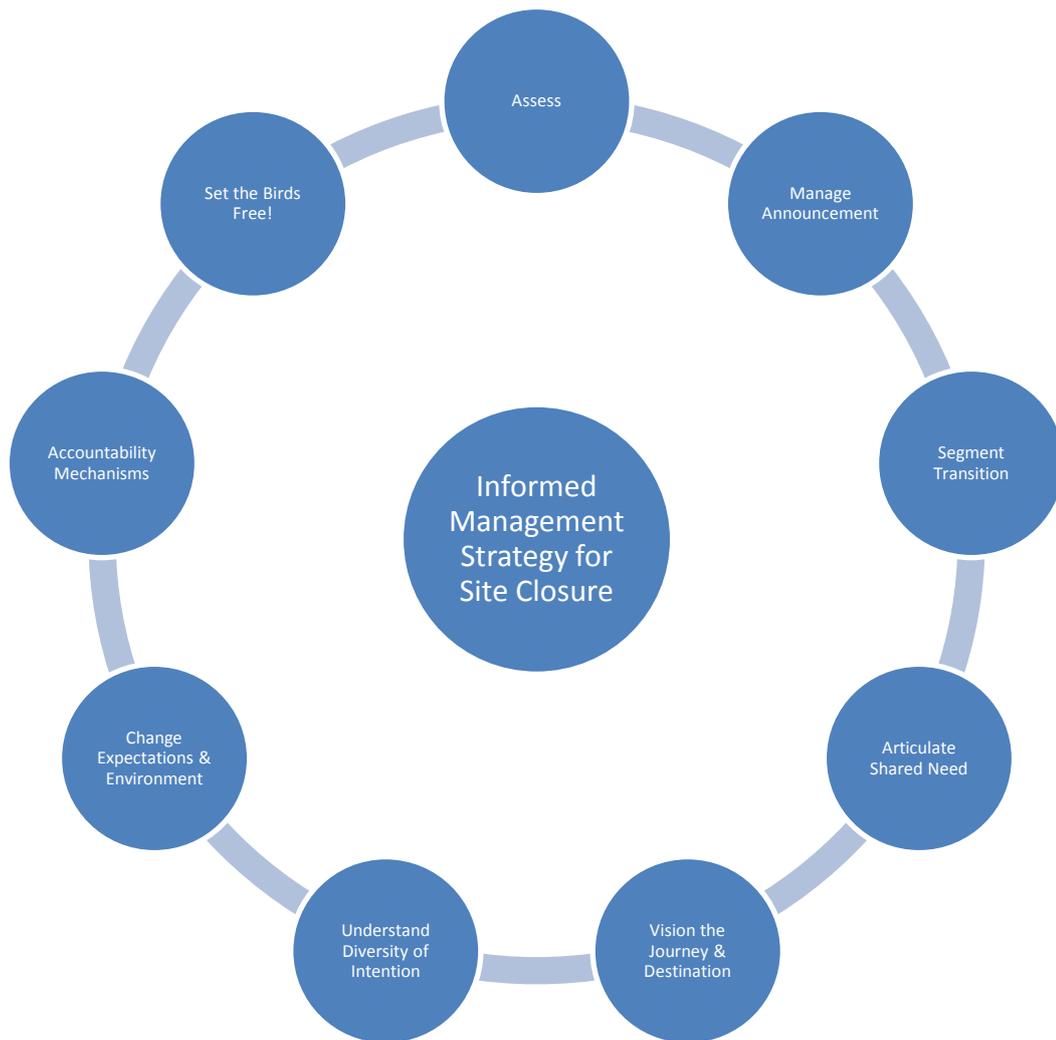


Figure 23: Informed Management Strategy for Site Closure (appendix 6)

In Figure 23, one can see clearly that components of the CAP model have been used since, on the whole, the closure was a success for the business and it used the model for guidance when delivering the change. However, the guidance offered to complement the model is intended to allow emergence of strategy, whilst understanding key tasks and phases. The model is not a dogmatic, scripted direction to management to follow rigidly in the form of a recipe. Instead, it is merely a recognition of the ingredients required, but the meal itself will manifest itself as a very individual convergence of cook with customers, with important elements of co-creation. The emergent approach is sensitive to the requirements of ‘time to heal’ and the site community navigates from one psychological contract to another since it allows for agility.

The author believes that where value has been derived from a phase in the model it should be retained for future best practice. The temptation to ‘reinvent the wheel’ has been resisted and this can be a tension in any articulation of contribution to practice.

However, the enhancements and interventions are important and powerful ones, in the author's view. The CAP model is prescriptive and follows a checklist format, whereas the author contends that pragmatism is a more suitable stance during a long term closure. In this respect, the phases presented for consideration can be used as a guide and are in essence components of a recipe that has worked. Continuing with this metaphor, additional ingredients have been suggested by the author in this chapter on the basis of the 'proof of the pudding'. It is his view, however, that taste is very personal thing and quite possibly a social construction. In this respect adaptations can be made accordingly based on local dynamics whether in the kitchen or the boardroom!

The original creators of the CAP model acknowledged that no new knowledge had been generated but that they simply made existing knowledge more accessible, providing a disciplined approach to its application. The closure of a facility has distinction in its finality and community impact, so a pragmatic stance with the guidelines offered is a way forward which promises potential for a 'win-win' outcome for both the organisation and employee.

Carr et al (1996) emphasise the fact the model used must fit with the organization's capabilities. They argue that where changes have been successfully managed they see some common threads in the form of:

- Acceptance that change permeates all levels.
- Clear change strategies.
- Critical success factors.

In this respect, the proposed model accepts that change permeates at levels by accounting for the diversity of the site population and catering for those different needs. Clearer change strategies have been developed, initiated by a change readiness assessment and concluding with 'setting the birds free', with critical success factors identified throughout the process. In the closure programme itself, the critical success factors would be articulated in the business continuity, employee engagement and personal development parameters. Importantly, the guidance is toward pragmatism and flexibility in mind-set, whereby the proposed model can be used as a loose framework for reference and strategy formulation.

5.4 RQ3: Impact of leadership approach & management actions during facility closure

An important area of focus for the study has been that of leadership approach and its subsequent impact within the site closure environment. It is clear that management actions were subject to high levels of scrutiny by employees as they assessed whether they were in fact getting a fair deal. Items on the agenda for employees were the financial incentives to stay, training and development opportunities,

professional advice and outplacement support. However, for the actions to be understood in context, it is imperative to appreciate that communication and management decision-making, both pre-announcement and post-announcement, were important drivers of trust in the local management team.

5.4.1 Productivity Improvements

Research has indicated that, under certain circumstances, leadership can expect productivity advancements, rather than deterioration in standards in plant closing environments. As discussed in 5.2 above, productivity improvements were experienced along with enhancements to quality outcomes and safety performance. This ran as counter-intuitive to management expectations since external leadership expected a level of compromise in these areas and had prepared to place the site on a 'watch list', under the guise of offering corporate support. Much of this expectation of performance deterioration lies in the acceptance that the psychological contract fundamentally changes in situations such as plant closure. Rousseau (1989) argues that the contract implicitly offers security, salary, training and support from the employer. The employee provides commitment, flexibility, effort and loyalty in return. With a fundamental break in the psychological contract as the result of a closure, it is the expectation of the employer that they will experience withdrawal of employee commitment, flexibility and effort, which are key factors in operational performance (Corley, 2004).

During the study, some support for the 'closedown effect' characterised by Hansson & Wigblad (2006) was discovered. However, reasons offered for the closedown effect by Hasanen (2010) of a cutting of managerial control, sense of injustice and the vain hope of decision reversal are not completely supported by the study. In particular, the disengagement of management was not experienced and a transition to a servant-oriented leadership approach was clearly apparent. The author believes that the environment of a large American multinational, with a heavy focus on operational metrics, would not have been conducive to the cutting of managerial control, at least from the level of external perception. Studies supporting the notion of managerial retreat were all in a Nordic work environment. The Nordic legacy is one of consensual, meritocratic work practices and legislation insisting on employee co-determination. This context is thus very important to the interpretation of this phenomenon.

What seems clear from this study is that managers took the initiative to support and mentor employees on their journey out of the organisation, whilst continuing to deliver for the business. In so doing, these managers became more involved in the employee experience of work and exit, rather than less involved. It is thus fundamentally possible that the same outcome of motivated, productive and engaged workers leading to tangible improvements in performance might be reached through different routes. This is illustrated by the following equations:

MR + VH + SI = PI (as reported by Hasanen, 2010)

SL + VH + SI = PI (as reported by this study)

(Where MR = Managerial Retreat, SL = Servant Leadership, VH = Vain Hope, SI = Sense of Injustice, PI = Productivity Improvements)

There was some evidence from the employee interviews of the driver of a sense of injustice. This can be characterised by a 'spur to action' by the employees after navigating the initial shock experienced after the initial announcement. Employees talked of the resolve to 'prove the company wrong' for making what was regarded as the wrong decision. Many felt that the company had chosen the wrong facility and that a larger, more complex, less productive sister plant should have been selected as an alternative. This was certainly discussed collectively by employees in the post-announcement phase of closure. In essence, this view and the discussion around it seems to have brought employees together, allowing many to put professional differences aside and unite behind the felt injustice of the decision. However, it was apparent that both this effect and the impact of the feeling of injustice waned as the closure progressed.

The 'vain hope' of decision reversal did resonate with some employees but certainly less so with the managers, who didn't believe that would be possible. As some suggested, for the decision to be reversed, two things would need to exist, firstly a technology transfer failure of some type, and then secondly a view that the Gloucester site did not pose a risk if it were to kept open longer. In that respect, employees understood it as a reality that if the site underperformed or became a risk then likelihood of any decision reversal would be even more remote. Again, there was some waning of this driver, in that once the first 18 months of technology transfer had elapsed, employees felt such a decision grew increasingly unlikely. One suggestion is that the longer the elapsed time, the less potent a vain hope becomes.

The author therefore concludes that the senses of injustice and vain hope did have some role to play, particularly in the early stages of sense-making following the actual announcement. However, it would seem such phenomena were a spur to action that generated positive employee and management behaviours that led to a functional, effective and cohesive workforce that delivered higher levels of productivity, improved safety and quality parameters.

The perception and evaluation of management actions has been a key thread of enquiry within the research and has offered an additional layer of understanding of the psychology of employment communities in the midst of potentially volatile closedowns. Management actions are judged through the lens of equity and fairness and, in this respect, there is much collective sense-making by the employees. The relative support offered by management is also evaluated in terms of sincerity of the provision and appropriateness as determined by the varying circumstances of the employee.

5.4.2 The Criticality of Trust in a Facility Closure Context

As discussed earlier within the summary of management experiences, the level of trust was shown to be a critical determinant of the employee and manager experience and the overall success of the closure process. The author believes the criticality of the role of trust in facility closures has been overlooked and is not recognised as a prominent issue in closedown studies to date. Certain actions and positions can be regarded as fundamental to determining levels of trust between the employee and management populations. Initially, the trust the external management team placed in local leadership with the information regarding the intent to close the site led to the decision to share the plan to shutdown with all employees. Both management and employees accepted that there was some level of risk in this decision. A level of trust was exhibited by the staff by virtue of the fact that management allowed themselves to be vulnerable and share the closure plan. In turn, the employee's felt trusted and this first practical decision created the platform for the building of cooperation and goodwill throughout the closedown process. It is posited that trust is the 'psychological state comprising the intention to accept vulnerability, based on the positive intentions and behaviours of another' (Mayer & Davis 1999). With such a definition, it is suggested the positive intentions of both employee and management populations were constructively accepted and in doing so both parties were to some extent vulnerable. The 'trust dilemma' plays itself out in such scenarios where the risk of exploitation is weighed against the perceived opportunities of trusting and reputation of management and existing culture is pivotal.

It is important to emphasise that although the author asserts that trust between local management and employees is critical for a successful closure, the understanding of pre-existing levels of trust is key for any readiness assessment. As such, the actions created by leadership can be given a perspective which is inclusive of the culture fashioned as a result of a previous management approach. It is offered that the propensity to trust will be predicated by antecedent experiences in the workplace. Although employees cannot know for certain the motives of the management team, if there is management continuity then there is a reference point for evaluation. The case under study had high levels of pre-existing trust which the author suggests had a positive impact of the closure environment and subsequent interpretation of actions.

The fact that managers were also placed at risk of redundancy allowed employees to view the entire community as similarly impacted. This facilitated empathy as opposed to sympathy, and this can be regarded as a powerful management position to occupy in vulnerable populations, such as those facing redundancy. The capability to 'sincerely' step into the shoes of the employee provides advantages assisting the employee in planning for the future, since experiences can be shared. Managers also felt the unenviable task of making employees redundant was less uncomfortable due their own individual circumstances.

The employee 'lens' applied to interpreting the actions of management is associated to a large extent with the perception of trustworthiness. The approach of leadership is regarded as one of the fundamental determinants of employee perception and consequently behaviour (Albrecht 2002). As suggested there is the possibility that minor breaches to the psychological contract may be overlooked in a high trust environment (Teleab 2005). In broad sense, the study supports the suggestions that dimensions such as consistency of action, commitment to values, competent explanations and fairness of application engender trust in management (Philippe & Koehler 2005). The social interactions were valued by the employees in the case and they felt they had been handled with sensitivity, dignity and respect. Managers sincerely demonstrating interest in employee welfare and allocating time for communication were regarded highly by employees and it was accepted that this was discretionary.

Another dimension of trust for consideration in a site closedown is the surveillance applied to the potentially high-risk community from a business continuity perspective. This is a default response for senior leadership required to protect business interests and deterioration in supply, quality and productivity are anticipated (McDermot 1989). Such high levels of surveillance in the form of more frequent reviews and additional 'oversight' resources are interpreted as distrust of local management by employees. The implied threat is that deterioration in standards will result in higher levels of surveillance and potential replacement of managers with those who will keep 'their eye on the ball' (Akerlof 1982). Such an approach has the effect of bonding the employees and local management into a community determined to prove the off-site doubters wrong by delivering business objectives and investing discretionary effort. The reward for such a work effort investment is the lowering of surveillance efforts and displacement of oversight resources to areas considered higher risks. The concept of 'partial gift exchange' has been characterised as a reward of relaxed scrutiny and observation for voluntary efforts. Again, the context of site size (small enough to become a community) within the hierarchy of a large organisation with centralised resources, needs to be considered when analysing the role of centralised surveillance and serendipitous impact on employment community cohesion.

Although no research is referenced with the aspect of trust applied specifically to a closedown context, factors such as benevolence, management ability and integrity are considered critical determinants in this specific context also (Mayer & Davis 1999). The aspect of benevolence is a dimension regarded as important to the employees in the closure, in that managers were observed to be compassionate and genuinely interested in the future aspirations of the employee, which encouraged employee vulnerability. However, other findings in the area of trust research clearly resonated with employees, for instance consistency of actions with values, not randomly changing goals, making unreasonable claims that are unlikely to materialise, fairness and equity in management interventions, particularly in the area

of performance management. It is evident that management actions are closely watched and scrutinised and by employees and high levels of trust can be reinforced by actions that are consistent with espoused values.

Management values which personify benevolence, consistency of action and responsible business stewardship will engender a degree of loyalty and discretionary effort from employees. Taking an approach that is inconsiderate, inconsistent with regard to commitments and driven purely by business concerns will feel the challenges of low morale, employee engagement and reduced levels of commitment. As suggested by Hogan and Hogan (1994), 'careers and the organisation may periodically put at risk by ambitious, deceitful people who care more about their own advancement than they do the mission of the organisation'. In a closing organisation, there may be little opportunity for advancement for employees and managers alike, with the exception of those leaders looking for career advancement in the parent organisation. Although trust research is often applied generically to change management scenarios, it is the author's view that the closedown scenario offers a subtly different but fundamentally important set of circumstances to which apply the dynamic of managerial trust.

A site shutdown is an environment where there is a profound shift in the terms of psychological contract between employees and the organisation. The employer's obligations are seen as modified due to the decision to terminate the employment of all staff. There is a potential move away from a relational to a transactional psychological contract where the financial incentive to stay becomes the focus. However, the management actions that follow determine whether remnants of an antecedent relational psychological contract can be revived by benevolent and consistent actions, which are perceived by employees as sincere, empathic and sustainable. The alternative is continuation of the transactional contract, where minimal discretionary effort can be expected as the mercenary nature of the exchange becomes all too apparent. The benefits of continuing or reviving a relational psychological contract can be the resulting productivity enhancements that are derived from staff investing high levels of discretionary effort in a bid to 'leave with their heads held high' in a professionally sharp position.

As indicated beforehand, the decision to notify staff early is pivotal in establishing trust and the nature of the employee relations climate of the shutdown. It is essentially the 'first move' in the trust game that unfolds during a site closure and a decision not to share may have the result of deteriorating trust further in an environment that is suffering a relative trust deficit.

In high trust environments, the potential for increased cohesion of the site community when managers are seen as being in the 'same boat' is high. The employees can begin to identify themselves as the 'site' and see the entire population as 'all in this together'. Where a management team communicates often and visibly and maybe suggest they are sharing more than they should create a certain amount of

'distancing' for the external leadership who are regarded as responsible for the decision to close. This aloofness with top management has been cited as important for successful site closures previously (Illes 1996, Mishra 1998). Aligned with this finding is the credibility of the management narrative with regard to the need to close, unreasonable nature of alternatives and fairness of redundancy processes is evaluated by employees and has role to play in trusting behaviours (Thornhill et al 2000). The suggestion that unpopular decisions may be accepted more reasonably where employees consider the justification as sincere and sufficiently adequate, and the line managers' role is supporting such reasoning, is regarded as fundamental and supported by the case (Mayer & Davis 1999).

The pre-existing trust condition within the site has already been explained as critical in determining approach and understanding of employee reactions. Another area of consideration is the employees' personal history, with other changes and alternative business environments where the 'trust equation' has been different. This disposition will help govern whether an employee is likely to describe themselves as trusting or distrustful with regard to management and this referent knowledge should certainly be factored into the readiness assessment (Saunders et al 2010).

The findings in and around the organisational justice field have relevance in shutdown settings, but again current research does not include such models. The ongoing assessments by employees mean that the trust equilibrium is constantly shifting on the basis of distributive, procedural and interactional interventions (Brockner & Greenberg 1990). The distributive criteria cover outcomes during the shutdown such as performance management and ultimately severance. The perceptions around procedures applied in the support areas of financial advice, training and opportunities for skill advancement are described as procedural justice and this certainly existed and has relevance in the case. The interactional justice criteria are concerned with the relative treatment of employees particularly with reference to sensitivity of approach. This is closely scrutinized by employees and any disproportionate exchange can result in a perception of inequity. As the exit phases unfold it is also important to be transparent with why certain people are being allowed to leave and the focus should be on objective criteria such as skills retention and not favourable relationships with management.

The relatively small size of the site, it would also seem, had a role to play in the initial framing of the type of community in the manager-employee relationship would unfold. The term 'community' was used throughout the interviews as a descriptor and employees regarded the site as 'a family' without the obstacles to familiarity such as sizeable numbers of personnel, shifts or domiciled corporate functions. Each of these factors is a fundamental component in the creation of a 'lens' through which the actions of managers are viewed.

5.4.3 Management trust & servant leadership

Employees make a distinction between global and local leadership and this became more intense during the closure. As mentioned above the local management team are seen as in the 'same boat', whilst the global leadership are viewed as the ultimate executioners. This allows the creation of a 'common enemy' and an out-and-out 'siege mentality' at the facility. This was also fostered by a 'maverick' response by the local site leader where employees can see some pragmatism being applied to company direction and demands. Certain challenges on corporate policy were made by the site leader in the form of the level of employee training funding and this gained the respect of the employees. Attaining a higher level of funding was well received but more importantly drew a distinction between local management who were emotionally invested as opposed to global leadership who did not have the singular focus, passion for the staff or ability to empathise.

Creation of credibility for the closedown decision is a key action for the successful management team as the climate is set for the closure. The reasoning and justification may go some way to legitimize the closedown. This action of scene-setting done artfully has led to improved increased consultation between managers and employees and subsequently improved relations. This has been demonstrated most notably at the shop steward level who are considered the largest threat of mobilizing employees of to take industrial action as a response (Hardy, 1990, 1987; Brown, Schmitt & Schonberger, 2004).

It is apparent that the balance to be struck between representing the employee interests and the needs of business expedience in a closure environment is a fine one. However, this is critical in remaining credible with executive leadership and ultimately remaining in position to lead the team. There are key phases of interaction for local management, particularly around the announcement period where there is a key role of representation of the site team with off-site senior leadership. Concurrently, the conversations with their own teams assume a level of significance in terms of individual sense making of the new environment. The manager taking on the role of the counsellor as well as leader emerged as a theme in the study. This was particularly the case where managers fell into the 'early retirees' category. As discussed in the results section many managers felt a duty to ensure employees had the best possible opportunities to develop themselves. Some managers lamented that they felt certain employees had not taken full advantage of the complete company offering and might serve as a potential source of regret in the future.

Employees under a threat situation revert to their most well-learned or dominant response (De Meuse & McDaris, 1994; Weick, 1979). This response can be lead to unsupportive or inappropriate behaviours at the individual and group level. This is something that can be expected in the environment of a closing plant, particularly if there is a level of acrimony between managers and staff. Decision-making at the group level may lead to a reduction in flexibility in direct response to stressors,

manifesting itself as a reluctance to volunteer new information and with less interest in controlling unruly behaviour. (Shaw & Barrett-Power, 1997; Staw, Sandelands & Dutton, 1981).

Managers and employees alike conveyed that a servant-oriented leadership approach manifested itself, whilst the site was closing. This was not necessarily intentional on the part of managers but more a case of the orientation evolving during the early part of the closure. This changed managerial attitude helped lead to high levels of discretionary effort by employees who demonstrated high levels of engagement. This discretionary effort showed itself in the form employees covering the workloads of colleagues away on training, often working overtime at short notice. Managers shared a passion for employee marketability, with many considering this their 'last act' in the business prior to retirement or semi-retirement. During interviewing, the importance to the management team became apparent with a clear focus on positioning junior employees positively for future jobs and careers.

Communication surfaces as a major theme when discussing the evolution of the servant oriented approach taken by local management. The management strategy of communicating through a variety of methods – newsletters, group meetings, all hands meeting and one-to-one offered numerous channels of routes to management thinking and understanding. The social interaction with senior management allowed the fostering of relationships with individual managers. It is suggested that such open communication strategies lead to higher levels of employee participation in shaping the environment (Saunders et al 2003). The action of involving employees leads to actual or perceived process control and if this is felt to be genuine and not deceptive then trust can build and relationships prosper in an environment of mutual respect. The author supports the suggestion that procedural justice manifests itself as stronger than distributive justice in such scenarios due to its repeatable nature (Mishra and Spreitzer 1998).

In line with previous cases, a 'distancing' of local leadership with senior external leadership provides an opportunity for the complete site community under threat to articulate a singular identity. As an alternative, there can be a rigid, inflexible response by employees who perceive themselves as threatened and exploited (Cameron et al 1993). Although employees will look toward management for reasons for the closure and a roadmap of the closure period, there can be in the midst of this 'control and direction' a level of empathy afforded by the employees. It would seem that this can only be effectively volunteered by employees who genuinely believe the manager is representing their interests fairly, there is clear acceptance by employees that the leader still has a 'job to do' but the way in which it is executed is key in terms of employee perceptions and consequent responses. In this respect, the role of servant leadership should not be underestimated. As the manager seeks ways of 'going the extra mile' in terms of employee assistance, becoming a mentor and guide in the midst of one of the employees most stressful life episodes, an evolution and growth of trust emerges. In this case, it is this phenomenon, rather than the retreat

from the shop-floor, which emerges as a driver for the change to a 'new order'. A 'new order' of coaches, mentors and guides, who even though they may be experiencing significant psychological transitions themselves, serve employees and deliver their final organisational act with compassion.

5.4.4 Leadership style as a key ingredient of socially responsible closures

Socially responsible restructuring considers the requirements of the stakeholders impacted as part of strategy. This has led to the development of employee support components to packages for closure events including guidance on business start-up, career counselling, skills investment, redeployment, financial advice for employees facing redundancy as part of a site closure. The Gloucester site employees received support in these areas and were the recipients of generous financial incentives to stay in addition to the long advance notice period. As such the closure qualifies as an example of a socially responsible closure (Rydell & Wigblad 2012).

The management style applied engaged the employees on an emotional level, with managers exploring the individual needs and concerns of staff. This was valued and noted by the employees in this particular closure. The author has defined this approach as a servant leadership approach, in which managers put the employees first. In this respect, the leadership approach experienced has been forward-looking, in preparing the staff for the future beyond the site. It is clear many actions of site management were oriented around flexibility for staff, so that training opportunities could be effectively seized. Management advice was based around the development journey for their personnel and their consequent future outside of the organisation.

It is also suggested that this has a positive dimension with respect to the management experience, which was also heightened for leaders in the social, emotional and spiritual sense. Many talked about their 'last act' prior to retirement being something they would be proud of and this talks to the spiritual dimension. From an emotional and social perspective, much stronger relationships were formed with staff as a result of discovering their aspirations as a result of deeper conversations. So it is inferred there were benefits for both the servant and those being led. There were clear structural (notice period, communication), financial (retention and redundancy payments) and developmental (careers assessments, training, CV writing) provisions by management that were interpreted as examples of positive stewardship by management. However, it is clear that the management actions encompassing mentoring and counselling of employees were entirely voluntary and evolved throughout the shutdown. The employees who were undergoing challenging personal transitions certainly identified this management behaviour during interviews positively.

During the case under review the financial retention offered was perceived by the employees on a continuum between fair and generous. All interviewed felt the payment offered to retain the employees at the facility until exit was worth staying for

and certainly offered some financial security in the event of an interruption of employment. Most respondents used either previous personal experiences of redundancy or friends\family and how they had been treated from a financial perspective.

The investment in a training and development offering was, on the whole, an appreciated and valued dimension of the retention and engagement strategy. Almost half of the employee population embraced the financial support and as required, committed themselves financially too. Those consulted felt this to be an effective way of ensuring employee commitment to the qualification. Some of those interviewed felt the financial offering could have been more significant to entice them but many of those who didn't participate were unsure of their plans for the future or felt that qualifications would not add value. Those who decided to engage in further study trained in wide range of disciplines from teaching to interior design.

The internal training offered in the guise of the highly rated GE curriculum, was positively regarded by the staff encouraged to participate in the training initiative. Personnel at the facility gained much in knowledge and confidence terms with respect to areas such project management, six sigma and leadership. It was asserted by many employees that it was felt such work focused courses could improve their employability.

The subject of communication is a common theme throughout major change events and this proved to be important in the case under review. Most employees were keen to understand how they would be impacted as individuals, how the project to transfer technology was progressing and how phased departures would be handled. In practical terms, there was more interest and engagement in all hands briefing events in the months following announcement and then at the 'business end' of personnel exits. The fact that a regular operating rhythm of events every 4-6 weeks had been established was valued. Practically this meant that even though some of the updates were regarded as tedious, the scheduled event could be used to clarify facts, explore rumours and understand concerns.

It would seem the combination of community communication events scheduled every 4-6 weeks with Site Director communications, newsletters, project updates and manager briefings was evaluated by employees as effective. A key area of exploration in this study, the possibility that there was a loosening of managerial control was refuted by employees and managers alike. The fact that the GE culture requires monitoring dashboards and checklists to be used for areas such as productivity, quality and safety meant that the site never left the gaze of the corporate eye. Managers continued to feel the same pressure deliver despite the changed circumstances. Metrics continued to be used and trends evaluated and there was mention in the interviews of the site being 'under the microscope' due to the risks associated with site closure. However, such monitoring was also regarded

as a powerful means of communication back to employees regarding continued site performance.

Reasons for productivity improvements offered ranged from sustained application of GE operating mechanisms, to camaraderie of everyone working under the same cloud of redundancy or wanting to leave the facility with their heads held high. Even though such systems were maintained throughout the closure, the perception was that this was administered in a fair and reasonable way by the management team.

Most of the respondents felt the reasons offered for the closure were credible and on the whole made sense. This objective consideration did not stop some from feeling genuine shock at the announcement as such it was only on reflection that the facts and reasons offered accepted. All staff were knowledgeable in relation to the investment requirements to keep a pharmaceutical facility current in terms of technology. Although there was some disquiet that some production volume would be transferred to the Norwegian sister site, this was mainly due to the competitive instincts of the UK employees.

Certain respondents mentioned that they had felt that the site had been earmarked early in in the GE acquisition process as a consolidation target. The research suggests that such 'branch plants' are certainly more vulnerable in the context of a multinational organisation. Employees therefore accepted that being part of a large conglomerate posed some risks with respect to employee security. This translated as off site management being seen as the decision makers of the closure but local management were regarded as those responsible for the positive climate during the last years of the site's life. In turn, employees assessed the relative offering in terms of finances and support as a means to making their own personal decisions.

Employees interviewed felt supported by the managers at the facility and felt that pastoral care was clearly in evidence. The fact that managers took an active interest in the future plans of employees was appreciated in addition to the practical support offered by Job Centre Plus (a local government agency) and internal careers services. Although managers could not give financial advice, and independent financial advisers were available, it was clear managers were consulted on the basis of the types of decisions they were personally making. The 'same boat' environment allowed for the sharing of plans and experiences in a powerful and compassionate way. The management team, although undergoing a transition themselves, accepted that employees were in a vulnerable position and supported as well as they could.

As the contract between employees and managers changed, the need for a creation of a support package which provides for the exogenous future became clear. An acceptance of the need to deliver for the business in the near term was amalgamated with a drive for each employee to make themselves marketable for the future. Employees engaging in retraining initiatives are more likely to secure follow-on employment following job loss (Chapain 2008).

In respect of the financial incentives it is clear that employees regarded the generous nature of the severance packages to be worthwhile to stay on for, comparing them favourably to previous experiences of redundancy or payments made to friends and family. This led to some level of compliance by employees keen to secure the payment and not jeopardise receiving such financial support. There was some evidence that employees were willing to trade influence in the shape of the closure as a result of the financial payment but most of those interviewed were interested in the delivery of the complete support package – particularly training.

With regard to training, those employees motivated to ‘enhance their CV’ during the closure period did find genuine opportunities to exploit internal training with project management and Lean/Six sigma training particularly well received. What was notable through the interviews is that local leadership became the ‘brokers’ to accessing such opportunities. More staff were released than anticipated by off-site leadership and it became clear that the focus of external leadership was on delivery and avoidance of risk by continual oversight. Local leadership were able to placate the executive concerns by managing upwards but importantly were also able to make sense of priorities at a group level to enable the release of staff for training opportunities. Additional support in the area of career analysis and financial management was also well received; particularly in that it was impartial coming from a government agency and an Independent Financial Advisory (IFA) respectively.

The nature of the local leadership role in representing the staff concerns and also diagnosing the staff development priorities and aspirations is a clear outcome of the research. The fact that many of the management team (over 60%) had elected to take early retirement, may explain the motivations behind such support for employees exiting the business, who would actively require another position. These leaders felt ‘taken care of’ and wanted to ‘pass it forward’ to an extent. Many accepted this would be their last leadership act and as such wanted to be remembered a manager that had ‘done as much as was reasonably possible’ for their teams. This intention was expressed by managers in general during the interview process and the statement had two dimensions. Firstly, to do their best by employees and to be remembered as reasonable, supportive and compassionate during a time of personal turmoil. Secondly, to walk out of the closing site knowing they had done their personal best in a work sense, since this would be the last work contribution for many managers electing to retire.

The closure was a socially responsible one and that has been validated by the interviews used for this case study. The current definition of socially responsible closures focuses on the financial incentives, development assistance and structural factors such as notice period and in this respect the closedown can be categorised as socially responsible. The management behaviours experienced by employees in this closedown has been perceived as positive by those interviewed. The positive perceptions have translated as well motivated and engaged employees determined to deliver on business objectives whilst preparing themselves for a future outside the

organisation. Rather than a momentous shift in employee behaviours, it would seem to be more of an evolution of more intimate relationships with management has occurred. The socially responsible framework of the closure has left the employees feeling cared for and able to concentrate on delivery for the business and certainly paid dividends. The structural offering of advance notice and on-going communication, generous financial support and help regarding training and preparation for new employment seem to be the basis on which a successful collective journey for both managers and employees can take place. The site study is supportive with regard to the benefits of socially responsible closedowns leading to stable output from the plant and productive and collaborative team relationships. This also allowed the company to drop the proposed high levels of surveillance due to the perceived quality and supply risks at the closing facility. In turn, the interviews demonstrated evidence of high levels of employee advocacy for the company in general and in particular with regard to management actions and approach.

What is supported by this research is the 'how' of implementation in a socially responsible closure, rather than purely a checklist of 'what'. As a fundamental point, it is clear that leadership behaviour can complement or potentially disrupt the overall success of the closure process.

5.5 Contributions To Knowledge

The decision to close a plant is widely considered the most difficult decision to make as a manager due to the wide-ranging impact such a decision entails. It also clear that for the manager implementing the decision to close the plant that very little experience of 'how to' close exists. (Hansson & Wigblad 2006). It is for this reason that any additional research which can assist in understanding what happens during a closure can potentially provide value in supporting and/or challenging current research or suggesting prompts for further exploration. However, the author must first caution against universality and ask for the closure to be viewed through the lens of management pragmatism and with a sensitivity to the diversity of closure contexts.

Facility closedown research has mainly focused on productivity impacts and the unfolding of the shutdown event. There are some studies on goal-setting within the shutdown context, building upon previous studies. Limited observational research has been published which analyses the changes in psychological climate and diminished management control. There is also a stream of findings into plant closure consequences for employees. In addition, some quantitative psychological research into closedowns has been conducted.

The author has been able to locate a number of pieces of quality research in the area of facility closures but has not been able to locate any work that specifically concentrates of the areas of employee perception of management actions during such circumstances. A research gap exists in exploring the individual change

experiences of both managers and employees and, furthermore, the subject of employee perception of management actions in a closing context has not been investigated. The issue of trust and the opportunity for management to build such levels of trust through information sharing and announcement strategies does not surface in the work currently reviewed and therefore this study hopes to bridge the research gap that exists in this respect. This research has effectively studied the workforce change experience during the 'closedown period' – that is from the time the announcement of the closure decision to the workforce and other stakeholders, until the operation's final day (Wigblad et al 2007). What follows is an articulation of the current position within the shutdown literature and corresponding contributions from the study, offering new insights and context. The research advances understanding of the drivers behind increased productivity in shutdowns, progresses the notion of a socially responsible leadership approach, reconceptualises the emotional response in such scenarios and also offers a segmentation methodology to usefully capture the diversity of employee post-closure aspirations.

5.5.1 New insights into the productivity paradox

It is the author's opinion that this study contradicts some of the research around the 'productivity paradox' (Bergman & Wigblad 1999). The loosening of managerial control was not experienced at the site. This may be a result of the strict metric-driven methodology of an American leadership culture, providing a different cultural context to the Scandinavian-based studies of the productivity paradox. This increased oversight is also a result of the industry sector producing medicines for the international public that requires close monitoring of higher risk plants. Whatever the reason, this study did not experience this phenomenon. In fact the opposite was true in the early part of the closure process, in that monitoring and control were tightened, rather than loosened. However, there is some resonance with the notion of a sense of injustice and also with the vain hope of survival in the early phases of the closedown (Bergman & Wigblad 1999).

It has been argued that, as managers' retreat from the front line, that the territory for autonomous working changes increases and employees take more control of their work targets, working arrangements and quality (Wigblad et al 2007). The studies performed were cases in the manufacturing sector, but outside the rigorously enforced standards of the pharmaceutical industry. In a stable environment, such working practices may well be experimented with, but in the context of a closing pharmaceutical plant the regulator would insist on tight managerial controls due to the heightened risk of quality deterioration with potentially higher turnover, loss of key competencies and lower levels of engagement. Whether this in fact does happen or not is not relevant, since the regulators take this as a 'default position' with which to approach facility closures within the pharmaceutical industry. This translates as higher inspection frequency at closing facilities and quarterly performance reviews to enable an oversight of any concerning trends.

Certainly in this case, the dynamic of the relationship between managers and employees (on the autocracy to autonomy continuum) did not significantly change when contrasted with the case studies offered by Wigblad et al (2007). The change in managerial behaviour in this study was explored in detail and is identified as the key driver for the 'closedown effect' which articulates the productivity improvements experienced during facility shutdowns. The study revealed that the managers 'retreated from the shop floor' and less formalised work patterns ensued, offering workers the autonomy to plan their work and the responsibility to achieve or exceed the managerial expectations.

It is the assertion of the study that the decision by senior management to close a facility 'deprives them from their status quo positions of maintaining the regime of control'. The emergence of a new economic order is posited where the balance has shifted and this is seen as a fundamental determinant of the relative improvement in productivity (Wigblad et al 2007).

Where the concept of performing to higher level of delivery due to a sense of injustice is concerned, it is confirmed that this has some explanatory merit in the context of this case study. Many of those interviewed felt the site had been unfairly selected ahead of the more expensive and poorer performing Norwegian facility. Those that thought this way, did explain that rather than disengaging, this forced them to 'roll their sleeves up' and get on with the job to the best of their ability. For a number of individuals this manifested itself in the teams they were part of, performing to the highest levels they had experienced in their time at the facility. A number of interviewees revealed that it was personally important for them to leave the facility with their heads held high in a moral and professional sense. The other important driver for maintaining and/or improving the levels of contribution was the fact that the environment was based heavily around teamwork and any slackening of effort would adversely impact their teammates – and that was something to be avoided at all costs.

There is support for the premise that the 'sense of injustice' can in fact assist in raising the productivity of closing plants. The teams have a choice in collective response, based on how they cognitively rationalise the injustice. This can present itself positively as a willed and determined effort to prove to those who had executed the injustice wrong. Thereby driving leadership to reflect on how the plant and its employee community might be missed. Others suggested that delivering to the highest possible levels of performance would also ensure that the plant would not receive unwarranted corporate attention that may well make the final years uncomfortable for the site community.

A related issue that interviewees were invited to discuss concerned the 'vain hope' of the plant closure decision being reversed and the facility being restored to the network of manufacturing sites. In the setting of this case, the response was mixed regarding this as a driver of improved productivity. There was definitely some

recognition by some employees that this possibility may have had some motivational effect early on, while others felt from the outset that the decision would not be reversed, as a result of the GE way of doing things (an execution discipline) and the relative age of the plant and recent underinvestment. Even for those who harboured some hope that a decision to reverse the closure might be made, the longer the closedown period progressed, the less likely they felt this might be. Importantly, communication of progress of the technology transfer and market approvals for manufactured products was critical in that respect. In summary, support for 'vain hope' as a driver is tenuous but it was recognised as relevant by some employees in the early stages of the closure.

For the author, it is imperative that the organisational culture within which the study is being conducted is understood. A metrics-driven culture of a large global concern with a record of changing 50% of business activity every 15 years (GE Annual Report 2008) will be very different from that that within a small national concern. The context of the closure is thus very important and the author suggests that this in itself is an important offering to the accumulating research landscape. The impact and influence of organisational culture should not be ignored when considering the way an organisational death unfolds. With the metaphor of human death in mind, this is as significant as understanding the patient's mental resilience, coping strategies, life rituals and mental attitude. Culture at an organisational or individual level is the summation of thinking, feeling and potentially acting, and hence this is a powerful shaping force for an event such as site closure.

Wigblad et al (2007) argues that the closedown effect contradicts the Hawthorne effect in that management by relative absence generated productivity improvements. The author contests that view, in that the context for the case under review is of critical importance for such a claim. The 'Hawthorne Effect' was not discussed or researched within a plant closing scenario. Therefore, the suggestion that management by absence in a closure of a facility disproves the theory is weakly structured in that the context is not considered. Later analysis (Hasanen 2010) provided further evidence that close, continued management interest and attention does still lead to a 'closedown' effect' which was also the experience of this case study. This case demonstrates a 'siege mentality' of sorts, in which many employees felt aggrieved at the decision, but also demonstrated a high degree of pride in their professional abilities to deliver. A high degree of trust in local management was evident during the research with some developing cynicism about the corporate management seen as the ultimate executors of the organisations will.

The Burawoy (1974) portrayal of the manager versus the worker in an ongoing negotiation regarding wage and effort showed some evidence of existence in the case. In addition, there are explanations of the agenda of resistance in the form of gaining worker control through participation, attaining autonomy, regulation output and deflecting abuse (Hodson1995).

There seemed to be acceptance that a dynamic existed between managers and employees and that there was a trade-off of wages versus work effort, sometimes explained by the impact of the management personality. For instance;

'Not necessarily in this situation but I think how you connect with your manager counts for a lot, you know what I mean? I can see that although you might not say it outright, that for a manager you connect with, that to give more in effort terms, so that way I can see the wage and effort thing' (Jeff)

"Yeah, in a GE world, it's obvious management create the rules, I mean, it's a big company and everything. They want maximum 'bang for buck' as they call it, whether you're an employee or a factory. So there is a trade-off definitely. To be honest, though, I don't think it's changed through the shutdown, we stick to the rules and GE have made it clear that they don't want standards slipping, haven't they?" (Charlie).

The experience of employees demonstrated some relationship to the labour process theory and the concept of 'rate breakers' and the 'work to rule' tactic espoused by Burawoy (1978). This was not necessarily evident in the events of the case under study but certainly shown in the employee and manager understanding during the interviews.

The trade-off of reducing or eliminating employee resistance or disaffection for a generous incentive (Thornhill 1997) was also validated. Employees regarded their financial incentives as generous by referent standard of previous redundancy experiences themselves and/or family and friends who had gone through similar experiences and had shared the financial dimensions of their own severance packages. Although the relativity is specific to such experiences, the study suggests that levels of engagement of the employees were higher as a consequence of the feeling of being 'taken care of'.

Both elements point toward the fact that workers who feel they have been 'treated well and with respect' will reciprocate that treatment with their contribution to their final days in the workplace and to their employer. Maybe the 'golden rule' (treat others how you would wish to be treated) is more relevant here than the research prevailing on the matter. That employees have choices is not in doubt – it is also apparent the employer required the retention of competence to effectively deliver complex and critical products to a demanding customer, under the watch of an uncompromising regulator. The industry in the UK is governed by the Medicines and Healthcare Regulatory Agency (MHRA) which demands compliance to national regulations for all pharmaceutical manufacturers.

On review, it is apparent that the cases explored by (Bergman & Wigblad 1999, Hanson & Wigblad 2006, Lewer et al 2006, Wigblad et al 2007) were in capital and labour intensive industries. These were not industries with high regulatory hurdles, relatively generous resourcing and comparably efficient with respect to automation.

For instance, piece rate was evident in a number of the case studies whereas the pharmaceutical industry would frown upon a practice designed for speed as opposed for high quality. Many of the studies used to articulate the 'closedown effect' have been located in one Scandinavian country, Sweden, which has its own cultural and behavioural norms. All of the cases had long countdown periods (24-48 months) but it is unclear as to whether this relates to Swedish employment regulations in comparison to the UK or US WARN.

In these studies, it was argued that the employer ceded control to the employees who delivered output at agreed rates and predetermined levels of product quality. For Wigblad (2007), this meant that 'management do not demand increased productivity measures any longer and workers do not need to act and react to managerial control measures.' There is some contradiction in this case but diminishing managerial control in an organisation with a formal regulation for 'management responsibility' requiring inspection, oversight and confirmation that international standards are being maintained is an unlikely scenario.

5.5.2 Importance of leadership approach in socially responsible closures

It may be surprising to the outsider, but the author has been unable to identify studies which include the aspect of leadership approach which is considered a characterisation of a socially responsible closure or restructuring. Rather, the evolving research focuses on the company offering in the form of financial, developmental and redeployment elements. There is little discussion to be found of leadership behaviour beyond the structural offering of benefits to assist an employee in preparing for redundancy or incentives to encourage retention and stability.

In this study, it became very clear that leadership approach was a very important variable, not only in the achievement of a socially responsible closure but in many other aspects of the case. The author therefore advances his conviction that leadership approach with respect to employee engagement should be considered as a defining characteristic to which one can identify a socially responsible closure. The alternative is to focus purely on the outcome of the closure with respect to transactional impacts of stakeholders without a consideration of the process of philosophy of leadership during the closure event. The author encourages an examination of the leadership values employed during a time of great uncertainty for employees and potential offering of the 'self' beyond the benefits and incentives package prepared.

That a closure is an emotionally laden event is borne out in the research, particularly as employees and managers consider the personal impacts and loss associated with the announcement. There are high stakes of employment continuity to consider, the emotional intensity of losing status and familiarity and potentially divergent opinions on the reasons for the decision to close. For the organisation too, there is significant reputational risk associated with a poorly executed closure which negatively impacts

stakeholders in terms of supply, cost or quality attributes. For a global concern like GE this reputational risk presents itself at a different order of magnitude in terms of potential impact. Therefore it would seem remiss to comprehensively cover the 'hardware' of socially responsibility in terms of notice period, pay incentives, training and development whilst ignoring the 'software'. The software in this metaphor refers to the way in which the leadership strategy is executed, the engagement tactics that management adopt whilst delivering the hardware. Strong structural incentives with an antagonistic leadership style could result in meaningful substance being lost in delivery. Vice versa, where a progressive and participative leadership approach is partnered with weak incentives will translate a powerful, empathetic delivery being lost in the hollow offering of paltry organisational resource allocations. Inconsistency in this environment presents a challenge to the position of trust that exists between management and employees. The aspect of congruency in such matters needs to be considered with real sincerity and ethical intention.

It is notable that the study identifies leadership approach as a key determinant of the employee experience during a closedown. A style which engages with employees on an emotional level, accounting for their individual needs and concerns, has been positively received in this particular closure. The author has categorised this 'employee needs focused' line of management of staff as a servant leadership methodology. The process of this leadership approach had a forward looking orientation and was based around development of people and their future. It is suggested the servant approach had a social, emotional and spiritual dimension for both the servant-leader and those being led. This can transcend the structural, financial and developmental provision by management, which can become a framework within which virtuous management actions of mentoring and counselling employees, who are undergoing a challenging personal transition.

It is the author's view that current research into socially responsible closures neglects the area of how leaders retain, engage and prepare staff. However, its inclusion in the definition of a socially responsible closure would seem sensible since purely considering the structural incentives offered by the company in financial, developmental and advisory considers the external agency and simply the 'what' of the organisational offering. The 'how' of the delivery is very much in the hands of the local leadership team who have a role in determining how much time is set aside for training, flexibility in work schedule and how much of their own time they allocate to staff needs. The leadership approach fundamentally drives the process, tempo and tone for closure execution. This is a component that has significant influence with respect to the nature of the work environment in a cultural sense for employees. Servant leadership allows an element of self-organisation as leaders stand back, whilst employees work through the challenges associated with delivering the business outputs whilst preparing themselves for a future outside of the organisation with help of leaders. In this study there was a purity of intent, in that the servant leadership actions were voluntary, but nonetheless a range of employee-focused

management styles would possibly create a positive and participatory closing work experience for employees.

Intimate professional relationships emerged from the shutdown environment, which the employees valued highly. One might argue that this is an overlooked area when executive teams are preparing restructuring packages with the intent to retain employees for the purposes of business continuity. Asking searching questions of management approach and what employee outcomes might be encouraged may well provide a leadership energy and direction which not only complements retention but also inspires engagement.

Much work has been performed by Rydell & Wigblad (2012) concerning socially responsible closures, which are defined as those which 'ethically considerate and developing actions that further some social good, beyond the interest of the firm and which is required by law'. Within the context of a closedown scenario the elements to consider are offered as:

- Generous severance pay.
- Long advance notice.
- Possibility of transfer to the plants in the enterprise.
- Retraining.
- Job consulting.
- Educational programs.
- Early retirement opportunities.

For Wigblad (2011), CSR within a shutdown purely meant implementing long advance notice periods, as well as offering active help and support to employees in their transition to new employment. A further emphasis extends the notion of social responsibility to consider business start-up, career counselling, skills investment, redeployment, financial advice for employees (Bergstrom & Diedrich 2011).

In this respect, the closure has been a socially responsible one and this has been validated by the interviews and confirmed by post-closure evaluations. However, the current definition of socially responsible closures is limited to the financial, development and structural factors around notice period, etc. It is considered that research has not addressed the organisational interpretation of socially responsible management behaviours in restructuring scenarios and closedowns in particular (Mclachlan 2015). Again, rather than any grand shift in management behaviour or response, it would seem ethical treatment of employees has paid dividends. The management program in respect of advance notice, on-going communication, generous financial support and help regarding training and preparation for new employment seem to be the ingredients for recipe of closedown success in the context of this case study. The case study supports the proposition that socially

responsible closedowns lead to stable output from the plant, relatively harmonious employee relationships, avoidance of high levels of surveillance and employee advocacy for the company with respect to treatment and management. However, it is important the role of management style is not overlooked and is considered along with the structural factors (finance, training, notice periods etc.) as the glue which binds together a socially responsible strategy to close a facility. Then not only the 'what' is considered but also the 'how' of delivery, which arises from the research as compelling component of employee experience and ultimately successful closure outcome. It is at this confluence that a powerful strategy for retention, engagement and future development of employees can be executed, not only doing the right thing but doing it the right way.

5.5.3 Reconceptualisation of emotional responses in closedown

It was clear from the research that the emotional responses of employees were a very important element of the entire process of closure, being given a voice by interviewees on many occasions. In the following discussion, the case is made that emotions play a significant role in any plant closure and that sensitive interpretation of these, and informed and effective response, should be an integral element of leadership of the process. As an aid to understanding, the Kübler-Ross (1973) framework of emotional response to change was adapted to the closure context, as was the Bridges (2001) model of transition. Both of these frameworks were successfully employed in the management of the closure process, as discussed below. That a closure is complicated by emotional responses was acknowledged and accepted to by the management team. In turn, this was widely appreciated by employees and such acknowledgement and skilful management considered to be an important factor in the success of the project. However, this is not reflected in the literature of plant closure or in management prescriptions for its implementation, which pays very little attention to the emotional experiences of employees during a shutdown.

5.5.3.1 *Kübler-Ross stages of dying & change curve*

The Kübler-Ross (1973) change curve resonated with employees in an experiential sense but the fact that it was included in the early stage management communications would also have given rise to the familiarity of the model. Importantly the model helped employees with their understanding of change at the individual level and the phases were practically borne out in the research. It was clear to the author that this also applied to managers involved. Managers reported usefulness of the framework of enriching the understanding the emotional journey of the employee.

It is suggested here that, for a closure scenario, the curve can capture the emotional journey navigated by employees at both the individual and collective levels. The framework can be used to articulate the expectation of responses for employees

from announcement onward. There is further evidence of the aforementioned change curve being used to effectively support employees as they navigate changes (Wiggins 2009).

The table below reflects the emotional journey of employees, using truncated phases of the Kübler-Ross (1973) framework. This covers the individual responses elicited from an aggregation of interview responses which summarises how emotions played themselves out.

Table 8: The Kübler-Ross (1973) model applied to personal change in a closure

<p>Frustration & Anger – Personal</p> <ul style="list-style-type: none"> • Our selection is unjust • Alternative solutions would be better • Employee loyalty has been disregarded • A brutal end to the company career and loss of personal control 	<p>Frustration & Anger - Team</p> <ul style="list-style-type: none"> <input type="checkbox"/> Consideration of leaving the business and discussion of likely employers <input type="checkbox"/> Feeling of collective frustration that the ‘wrong team’ had been chosen – injustice <input type="checkbox"/> Accusations of some bias due to location of senior executives <input type="checkbox"/> Frustration due to loyalty and commitment in the past – broken contract
<p>Shock & Denial - Personal</p> <ul style="list-style-type: none"> • Belief that closure isn’t really happening • How will I tell the family about this? • Why this particular team? • Long held suspicions confirmed • Decisions about who to share the news with, concerns about the reactions of close family. 	<p>Shock & Denial - Team</p> <ul style="list-style-type: none"> <input type="checkbox"/> Sense making together in teams and some confirmation of their convictions that this decision was always likely <input type="checkbox"/> Discussion around likelihood of successful closure <input type="checkbox"/> Sharing of redundancy war stories <input type="checkbox"/> Differing circumstances explored and understood <input type="checkbox"/> Collective devaluing of worth due to closure decision
<p>Bargaining & Depression - Personal</p> <ul style="list-style-type: none"> • Interest in the type and quantity of support packages 	<p>Bargaining & Depression - Personal</p> <ul style="list-style-type: none"> <input type="checkbox"/> Understanding of actions management were taking to support

<ul style="list-style-type: none"> • Curiosity about training and development offering • Aspiration <i>to</i> understand financial incentives further • A very sad situation personally 	<p>employees.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Collective interest in training and development package availability <input type="checkbox"/> Discussion of financial packages and advice to maximise three year period <input type="checkbox"/> Sharing of negotiation as teams with managers around accessibility to development <input type="checkbox"/> Collective discussions around the sadness of the event
<p>Acceptance, commitment & moving on</p> <ul style="list-style-type: none"> • Desire <i>to</i> Improve marketability and CV status • Acceptance <i>that</i> we need to keep site performing to ward off undesirable external scrutiny • Work with management to make the closure and delivery task easier • Gratitude that the financial incentive helps with transition • Reflection on <i>internal</i> contributions and exploration of external futures 	<p>Acceptance, commitment & moving on</p> <ul style="list-style-type: none"> <input type="checkbox"/> Further socialisation of caveats to financial incentives – attendance etc <input type="checkbox"/> Teams work with managers to deliver on work delivery and creation of development time <input type="checkbox"/> Closer relationships with managers form as mentors and coaches for future goals <input type="checkbox"/> Effort for teams to cooperate and collaborate to deliver on dual fronts and ward off external micro management

The table reflects the emotional journey at a personal level and contrasts with the team view as articulated during by interviewees using the adapted phases of the Kübler-Ross (1973) change curve. The model resonated strongly with the respondents on interviewing and the team view was generated by requesting each respondent to consider the team perspective, most often the department in which they worked. This presents a summary of employee responses relating to the department views as they understood it during their personal interviews and therefore capturing a more communal voice. The table then takes each phase and compares and contrasts the feedback elicited by manner of aggregation. This powerfully captures interview responses at an emotional level and offers a subtle differentiation of reaction and reflection between personal and team. There are many consistencies and threads to be drawn between the individual and collective elements and clear utility value of the Kübler-Ross model in the context of shutdowns.

It would seem that at the collective team level after periods of shock and frustration, staff looked to maximise their effectiveness by delivering the business plan and lowering the need for oversight. Management direction certainly had a role to play, as it was explained any deterioration in quality of product would invite unwanted corporate and regulator attention. It is clear that government regulators rate closing sites as high risks due to potentially demotivated staff and higher attrition, this site avoided being classified in such a way. For employees, increasing cooperation and collaboration was needed to exploit the additional time required for training and concurrently deliver on quality requirements for products manufactured at the facility. These actions are consistent with the Kübler-Ross (1973) bargaining and acceptance phases. Ultimately management objectives can be classified into the phases with a mind-set of pragmatism and flexibility since there may be iterations required. Pragmatism and flexibility are required since all employees do not navigate through the phases in a uniform manner, however the model helps inform management and allows for the reasonable setting of expectations. The following table articulates the broad objectives for management to consider in each phase.

Table 9: Kübler-Ross & Management Objectives in a Closure

<p>Frustration & Anger</p> <ul style="list-style-type: none"> Objective: Pacify & Articulate Vision 	<p>Bargaining & Depression</p> <ul style="list-style-type: none"> Objective: Engagement, negotiation, pragmatism
<p>Shock & Denial</p> <ul style="list-style-type: none"> Objective: Retention & Stability 	<p>Acceptance, commitment & moving on</p> <ul style="list-style-type: none"> Objective: Engagement, support, responsible stewardship for futures

The work aspiration is to drive to a deeper understanding of the experience of employees and managers in shutdowns and potentially provide new insights. Ultimately this understanding and the new insights must have utility value in the form of management guidance. Therefore the management objectives above form a broad guidance for the phases of the employee emotional journey. It is suggested that each closure will exhibit a different profile in relative time spent in each phase but nonetheless the objectives will remain consistent and expectations of navigating each phase to be sound. This then offers implications for leadership with respect sensitive retention and engagement strategy development.

5.5.3.2 Application of the Bridges framework of personal transitions

Managing transitions by Bridges (2001) has become a canon in the change management field by clearly articulating the three phases of end and letting go, the neutral zone and the new beginning. It argues that change is situational and

happens without people transitioning but that transition is itself psychological and is captured in the three phases. This work considers the personal impact of change and is keen to emphasise the need for individuals and groups to 'let go' of the past psychologically to enable the new beginning to be effectively embarked upon. This research is therefore very relevant to a closure where a 'new order' of working at a closing facility evolves from announcement onward.

The premise of the research output generated by Bridges is that failed change efforts and unsuccessful personal change is very much the product of individuals and/or groups proceeding to the new beginning without appreciating the impact of loss and effectively and consciously 'letting go'. The research uses a number of cases to illustrate the fact and is a powerful piece of work in the area of transformational change to the extent that it is commonly referred to in change management training such as that offered by the company. The employees reflected more on the 'letting go' of belonging, status, relationships etc. at the point of exit. However, in the interviews many respondents reflected that there had been an iteration of 'letting go' following announcement, particularly after it became clear that the decision was final and certain.

In practice terms this has led to adoption of the recommendations offered by the research. This translates as the guidance to ensure that the 'big picture' is conveyed and explained in individual behaviour change terms. Furthermore, what is to be lost individually or collectively should be understood. There should be 'selling of the problem' from a collective standpoint and connections should be made with clients, customers and other stakeholders. Then the interpersonal steps of engaging with employees to explore problems is directed whilst encouraging the expression of human feeling and establishing a rhythm of continuous dialogue.

In the study itself, it was clear that the recognition of this 'letting go' phase struck a chord with the respondents. What helped facilitate the process of 'letting go' was the period of notice since it allowed many of the respondent to navigate the change at a personal level and also understand the extent of the loss they were experiencing. In a short notice of closure, this may well have been reflected upon after the exit, whilst in the case of this closure the notice period of three years allowed for some concurrent reflection.

As the themes emanating from the Bridges (1991) research were explored, a pattern of differences between managers and employees emerged in that losses such as 'empire', status, belonging, identity, meaning, relationships, structure. For managers, it emerged that there was some hesitation around the loss of empire, status and identity and this was less so with employees interviewed. However, all those interviewed felt some empathy with the losses of relationships, structure and identity with the company context. Certain employees had confirmed opportunities to move into at the time of interview and as such were considering their 'new beginning' with

relative enthusiasm. Such dispositions would naturally contribute to the perspectives taken.

In essence, there is a suggestion that the transitions model is powerful in helping individuals understand the psychology of change in scenarios of site closure, where they are being asked to let go of past expectations and buy into a new organisation that wrestles with the notion of its own death. In this respect employees felt the loss associated with relationships, structure and identity. However, they seemed less concerned with the loss of empire and status, with a belief that was not an important component of their previous roles. Managers accepted that they were losing the same elements but also conceded that in the next steps that status and empire could be very different and therefore a loss was experienced and combined with some levels of anxiety around these aspects in particular. So, in comparison the managers were dealing with loss in the areas of identity, belonging, relationships and status.

The managerial transition is combined with the need to coach and guide others at a time of personal angst. A little like parents who have to show some level of equanimity and composure in the face of the anxiety of their children, it seems as if managers tend to consider their needs secondary to that of the employees at the outset. Having to think about their subordinates in this way actually helped some managers through their own transition. What's important in research terms is that the model certainly helped frame the change experience for employees and managers alike, so supports the utility of the framework. However, the research offers that the manager loss in scenarios such as site closure carry the dimensions of status and empire as distinctions in comparison to employees. In addition, there is the burden of 'custody of care' with regard to the employees which can weigh heavily on some shared need.

It is suggested that the Bridges (1991) transitions approach is suitable for application to events such as a site closure (Cameron 2009). This is because the language of endings and new beginnings are tangible to those involved and the neutral zone can be mapped but will be of differing duration dependent on individual circumstances. In this respect, the case study supports the relevance of the model and furthermore illuminates the profundity of 'letting go'. The need to let go of the past can be overlooked but is of critical importance to those navigating momentous changes in life.

5.5.3.3 *Bringing the models together*

The fact that the Kübler-Ross and Bridges models provide a closer match with the data collected needs to be located in context. The setting of an organisational death clearly has parallels with that of the death of an individual with the phases of wrestling with the facts of an almost certain demise, through the bargaining and into the acceptance stages. Hence, it is maybe not a surprise that the model has such high relevance and applicability in respect of the circumstances of a site closure. The

framework was used in the structure for interviewing and clearly resonated with respondents and assisted the research in coding findings. There is evidently a lifecycle beginning with denial and ending with acceptance which all individuals navigate at different rates but each stage of transition is inexorably faced.

There is utility value in the model in understanding the emotional responses of those in communities which have been selected for site closure. To this end, management teams can themselves apply this insight by developing strategies which help the collective group transition from the 'unknowing state' to 'knowing state'. In practical terms this translates as objectives for management in the early phases of transition to be able to pacify and articulate the vision of the 'socially responsible closure'. Such practical direction concludes with a leadership purpose of responsible stewardship of the employee's futures with continuing expectations regarding professional contributions.

There are natural boundaries in terms of applicability, since the organisational death is overtly aligned with the original premise of the Kübler-Ross research albeit at the individual level – essentially how to deal with death. The initial transposition is from the individual to the collective level, which manifests itself as the community of a closing facility. However, one can argue that such an emotional response can be experienced in a multitude of scenarios. Where there is change, there is a metaphorical death of a past state to which those undergoing change must adapt to and transition. There are distinctions that the author has argued make the site closure dissimilar to classical redundancy scenarios where some employees remain often suffering effects of 'survivor syndrome'. There can be no question that change has always been and will always be with us. It is an integral part of human progression and this translates to businesses at all stages of the organisational lifecycle. The visceral nature of the human emotional response to changes that businesses are minded to make should be understood, and such a framework can help educate the management response. It is this appreciation that can guide intelligent management actions which are demonstrative of an empathic leadership.

5.5.4 Responding to diversity by segmentation and differentiation

The research has yielded an insight into the power of segmentation of employees' needs, since 'one size fits all' is not only symbolically insensitive and reflective of a 'change acceleration' mind-set but it prevents management teams from thinking about tailoring strategy to context and considering heterogeneity of the workforce. Introducing the concept of differentiation early in the process of strategy formulation will enable the management team to connect with the 'voice of the workforce' and by understanding the aspirations and intentions and encourages allows intelligent strategy design. This in turn, creates a potential path of connection with the employees which is considerate of their post closure futures and not only concerned with near term delivery of business requirements.

The employees could be segmented in discrete groups with fundamentally different needs and aspirations during the closure period. These can be classified in four broad categories, beginning with 'retirees', who are those planning to retire following the site closure. This group has the extra security of a redundancy payment and hence enter full retirement early. Alternatively, retirees enter semi-retirement by releasing part of their pension due to the 'lifestyle event' clause within the occupational pension scheme which leads to different financial demands and entry into the part time job market.

'Career changers' are those using the closure as an opportunity to retrain for another career for security, aspiration or 'bucket list' reasons. In the case, all in this category planned to stay in the area to do this. However, it is not unreasonable to assume that other career changers could move geographically as well as changing careers and therefore the model includes this. It is clear this type of change requires a personal leap of faith by the employee and the experience of the author was that those engaging in this strategy are often reluctant to share due the 'dreaming' aspect associated with the aspiration. However, it is also in the employees' interest to volunteer the plan to change careers since such efforts often require more organisational support and the use of the full advance notice period.

The 'active careerists' are those grouped by the fact they plan to use the current function and/or industry experience to exploit similar type opportunities. This group is differentiated by the fact that some are geographically bound and described as those who planned to continue with their current career specialism but accept some compromise on the basis that they were required stay within commuting distance of their home location for partner, family and/or associated reasons. The 'active careerists' category is further differentiated by those who are geographically mobile, who are those described as individuals planning to use the experience as a springboard for their current career and seeking the 'next level up' role by moving to where the opportunities were following the site closure conclusion.

The author has discovered that the needs of each group are different and this was uncovered during the research process. For instance the retirees required guarantee of departure date due to retirement age and personal plans. There was a large advisory component to the support including financial advice regarding taxation and use of pension schemes (AVCs). Some softer support was desired such as retirement support – 'help making the transition' type courses. The financial advice for 'semi-retirees' and 'downshifter' was subtly different and was concerned with maximising income and living within the new income.

The career changers need advice from outplacement support about making the switch happen and it was clear mentoring had a large effect. Additional support was needed from the appropriate professional bodies about qualification and career entry criteria. Some planning a new business needed start up guidance and planning templates and again coaching and counsel from those more experienced. The group

was maybe more intensive in terms of organisational support with respect to release dates on basis of key intake milestones for university, teaching etc.

'Active careerists (geographically bound)' were cognisant of the need for financial advice for an anticipated drop in salary (those wishing to stay in a specific area often experience salary compromises, whilst those moving to where their skills are required can command equitable or even superior salary package (Chapain & Murie 2008). The classical expectation of access to local opportunities in their field through agencies and outplacement support which would also provide skills analysis, CV writing assistance and planning help. These individuals were also keenest to exploit on site or in company training experiences like Lean, Six Sigma, presentation skills and Microsoft Office. Active careerists who were geographically mobile, desired many of the above requirements but did not anticipate a reduction in salary but on the contrary expected a higher salary and a likely 'step up' in career terms.

As one might imagine, the groups navigated the change in very different ways. For the retiring population, there was some anxiety about the actual closure date being extended and them having to delay retirement plans to not miss out on the redundancy package (these individuals would have been regarded terminating employees if leaving prior to business direction). Many had clear plans regarding activities after retirement so there was considered to be a fine balance with delivering for the business and exiting employment.

The 'bound careerists' had made a clear decision to stay in the area, and although they hoped to find equivalent pay, they accepted that due to tenure in the company they had accumulated a number of pay rises associated with service and would need to 'start over' in the new company. These individuals seemed to clearly understand the need to make themselves marketable and had used the career support packages to discover their own marketable and transferrable skills. The closure decision forced some into action.

What become clear on reflection of the research experience and the need to segment employees is that each employee will use a personal 'lens' through which to view the redundancy experience and assess management actions. If management teams can better understand the objects and actions that inspire certain mind-sets, they'll be better placed to create activities and actions that will help retention, engagement and delivery.

5.6 Limitations of the Research

As a single case study, the contribution is not claimed as generalizable, but authentic and valid nonetheless. This qualitative methodology may not provide the 'true experiment' (Yin 2014) of a quantitative approach but it does seek to discover theory by observing a social phenomenon in its raw form (Glaser & Strauss, 1967). The case seeks to answer the question of how change is experienced by employees as

they move from relative certainty regarding employment, through a period of delivery for the business and onto to a labyrinth of possible futures. The case study is appropriate in that the 'how' is being explored, the investigator has little control over behavioural events and the subject is a contemporary phenomenon in a real-life context (Yin 2014).

The study is limited to a single case, since locating multiple closures with access is a challenging proposition due to the sudden nature of announcements and decisions as they are taken. External authors often find access to be a challenge and therefore the participant author is in a powerful position. This case has been opportunistic in the respect that the investigator had immediate access and the closure happened on his watch and he wished to seek a meaningful research outcome in the midst of adversity. The closure did occur, the plant has effectively disappeared and the closure circumstances were researched using a case study approach and under lens of an interpretive ontological disposition.

This has been described as a 'best practice closure' by the company, unions and the government regulator and many have asked for an insight into the management processes and strategy behind it. The author has been asked to present at GE Healthcare HQ in London, regional HQ in the USA and also at Prospect (previously the IPMS Trade Union) HQ in London. This may make it an atypical closure or at the very least a 'top tier' closure regarded positively by stakeholders. That said, the study does not claim generalizability but offers that the study has relevance in its own right. In this respect, a little like Appreciative Inquiry, the research community can learn from what goes well and what has been delivered effectively rather than focussing on the failed change effort and what is pathologically wrong in organisations or a particular change scenario.

The dual role of the author, also as a senior manager at the facility with the potential of social desirability of response and impact of authority has been considered. This no doubt presents some complexity to the study, in that one must consider both the intrinsic interpretation of a member of the management team and also potential impact on those being interviewed. The timing of the interviews was therefore regarded as a fundamental way of mitigating for the potential influence on the employee. Practically this meant each interview was held close to exit date so that the author had no influence over performance ratings, interim advancement or severance calculations. Importantly, the author emphasised the requirement for each interviewee to regard him as a researcher undertaking a study as a representative of the University and a neutral location was selected to encourage a symbolic break with any hierarchical connotations. The likely transparency of emotion and perspective displayed by employees on exit from the organisation was a structural consideration. This positively manifested a low risk environment for employees as part of the study design to ensure as much sincerity, realism and veracity as possible. Many of the interviews themselves converged with routine exit interviews undertaken by the company HR department which is used by the organisation to

learn about potential improvements the organisation might make. The author accepts it was difficult for employees to remove themselves from the company context but there is supportive evidence in the form of feedback from those interviewed that they were able to see the author in a different light for duration of the interview. Although the potential for mendacity and bias can never be completely removed, a genuine effort has been made by the author in an effort to drive toward an authentic and trustworthy response.

The author believes that the data itself is socially constructed and as such, this disposition drives an assumption that the author too is potentially impacted by bias, along with those interviewed and this complexity of interpretation has been considered. To help soften such interpretation bias the author has enlisted a colleague to help review each interview transcript prior to coding to seek the contribution of an independent person to the study. Consequent to the review of each interview, the separate examinations of the transcripts were discussed to generate a high-level summary of any inconsistencies. This examination resulted in some guidance that was effectively used specifically in the form of the clear separation of the understanding of the management terms. Consequently, this assisted in separating off site executive leadership and on site management with reference to decision making and execution of the closure decision. This 'tollgate' prior to coding allowed more of an objective mind-set for the coding task since it offered a clear prompt for 'distancing' of oneself from some of the emotion articulated in the interviews. The review stage also gave rise to contextualising items that were localised administration issues so they were not laboured as part of the research and clear focus was maintained on answering the research questions. The process of 'peer debriefing' has worked as an effective guard to enable against natural human bias that is accepted as a potential vulnerability of socially dependent qualitative studies.

Awareness of the unintended consequences of interviewer distortion has ensured the authors has remained 'mindful and vigilant' when approaching the coding and interpretation of findings and this has been fundamental to the process analysis and understanding (Robson 1999). Such interpretation bias is a potential pitfall and a major ontological challenge and therefore the findings have been reviewed mindfully with the bias originating from the position held on the site leadership team. However, it is important to emphasise that the author exited the organisation following the site closure and this has helped with objectivity of analysis. Although the author was offered an internal opportunity, that was declined and this has helped the author remain more open-minded about the company and leadership bias that might present a challenge to analysis. Intentionally wearing a 'researcher's hat' as opposed to thinking like the 'Site Director' whilst examining the interview feedback offered a useful shift of paradigm. To observe the unfolding themes without the need to develop an action plan but in contrast seek value in the context of research questions encouraged an investigator mind-set. Consequently, this has allowed for

several iterations of reflection prior to review regarded as critical in 'enhancing the trustworthiness, transparency and accountability of their research'. The use of a research journal has helped in this respect by summarising context, explaining developing thought and framing references to articulate points of view. (Finlay 2002).

There are specific challenges to the practitioner doctoral researcher, and the author accepts there are obstacles faced by the practitioner researcher undertaking a doctoral research assignment. As Drake and Heath (2011) *'They show the special nature of this research and the conditions in which the professional researcher works raise questions about producing new knowledge at work through research and the way power plays through the process.'* Furthermore, being an insider researcher draws an additional level of complexity that has been considered as articulated above.

Another area to note as a limitation is that the site organisation as the unit of analysis has been sampled to ensure the intended study depth could be achieved. Each department and function at the facility has therefore been represented by employing a purposive approach to sampling (Robson 1999), thereby structuring effective employee and management contributions to the study data. Hierarchy and function have been considered but it is clear that not every member of staff has been interviewed for the purposes of research. A non-probability sample has been used and there is an element of a subjective judgement by the researcher inherent in such an approach. Therefore, the sample cannot rely on the rationale of probability theory. In an effort to represent the population well a sampling frame identified 21 respondents from a total population of 80 staff at the facility which equates to 26% of the total. Employees and manager groups, in addition to functional clusters are reflected in the sample in proportions to the way the facility demographic manifested itself. The researcher has attempted to design a sample which is a valid reflection of the diversity and breadth of the study's population and as such is a claim toward sufficiency of sample (Saunders & Townsend 2016). With 26% of the site population being interviewed, the study can claim a significant sample size, however, with a case study approach the sample size and proportionality need not be as critical as with a quantitative study, a phenomenon only need appear once to be of value (Robson 1999). The participant sample size is considered within the discernible norms for a case study focusing on one organization quoted as a range of 15-40 (Saunders & Townsend 2016). It has been important that both the management and employee voices were represented to ensure the research questions around the change experiences and leadership method have been understood and insight created. Although the researcher suggests a level understanding of experience of closing has been generated through the study some compromises have had to be made on the basis of the sample in that not every member of staff was interviewed for the investigation.

However, every employee was interviewed by the company Human Resources Department (HRD) on exit and each employee was consulted regarding the potential

of review of the interviews for research purposes and each employee without exception agreed. Reasons offered for consent being granted was the authors function role as Site Director meant that one could be trusted and that on the whole the closure had been a positive experience. These interviews were consulted for calibration purposes only, to determine whether any feedback relevant to the research had been omitted and no surprises arose from the review.

Limitations have been identified in the form of sampling, data collection, investigator bias, social desirability of interviewees and potential corporation worldview. However, although the researcher accepts there could be bias in the data he is reasonably satisfied with regard to balance and veracity. The fact that during the research the author was a GE insider but through the write-up has moved out of the organisation and into two different employers has helped with detachment.

Limitations considered, as suggested earlier in the research, the way forward should rather than looking for 'one best way' to close a facility, we should be looking for the 'best way to close each facility'. The limitations identified support the recognition that closure events are complex change systems full of interdependencies which are often difficult to detect and we should expect non-linear responses. Studying an event such as a closure requires a mind-set of openness, researcher agility and a deep understanding of the sensitive environment undergoing a collective change.

5.7 Implications for Policy and Practice

Much has been learnt about how individuals and managers experience the dramatic change of loss of job security and certainly there are dimensions that make this case study atypical. For instance, this closure has a relatively long period of notice – three years, which is highly unusual many industries. However, it is likely that all pharmaceutical companies would be subject to a similar timeframes due to the regulatory constraints, so for the pharmaceutical industry this can be considered typical. The study encourages leadership teams to consider the contingent approach to the key factors in a site closure as illustrated in fig 24.

5.7.1 Management Decisions - Criticality of Consideration of Key Factors in Site Closures – Contingent Approach

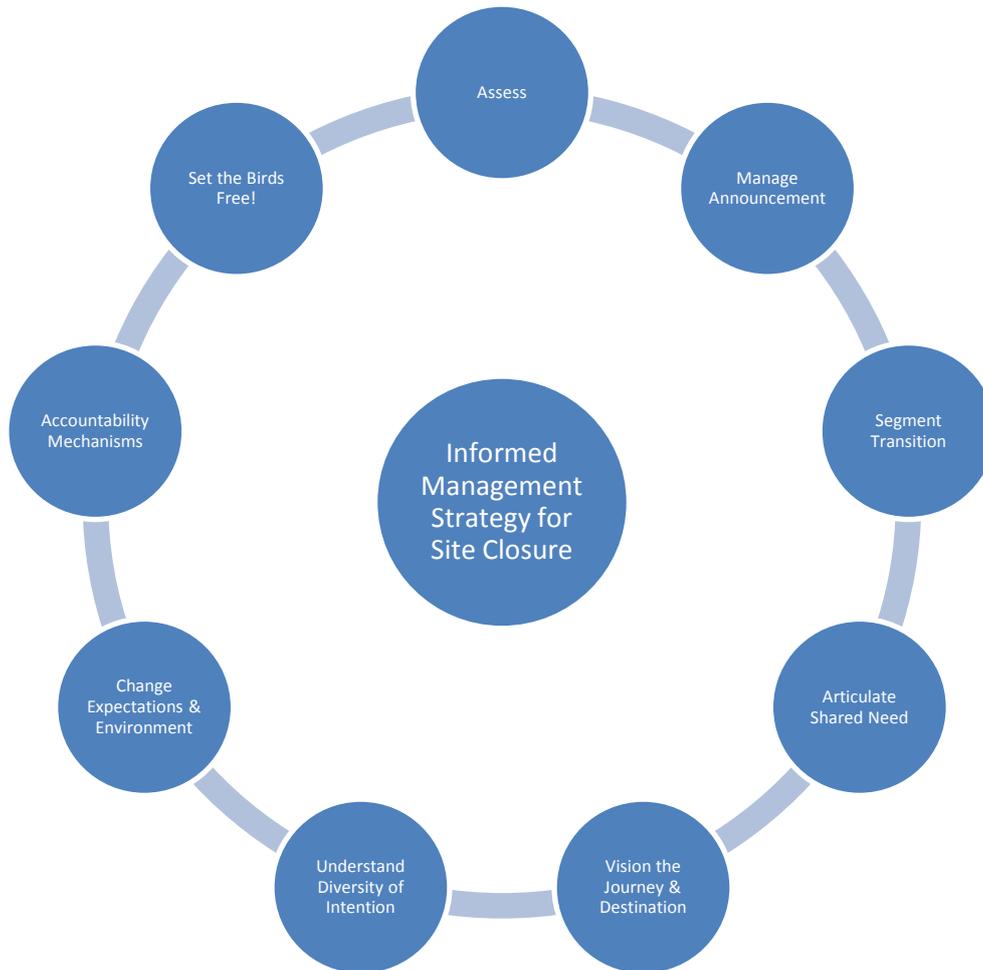


Figure 24 Key Factors for Consideration During a Site Closure – Contingent Approach (appendix 6)

5.7.2 Notice period symbolism & practicality

In the context of the case study researched – the decision to share the closure decision early made a difference and it is challenging to imagine the closure process bereft of the high level of trust this initiated. This is fundamental pivot point for the closure and any closure, the author would suggest. How much information is the management team willing to and how soon can that information be effectively shared? The direction, structure and development of the closure emanates from this decision point. Subsequent closure tasks and management activities can help or hinder on the basis of what decision has been made. As one manager suggested if the employee feels he or she has been ‘well looked after and treated with respect’ the tough discussions that follow are undertaken in an environment of mutual respect.

What's new and why does it matter? The author considers the decision to 'share and share early' an important dimension to the subsequent experience for employees and also managers. This fact should be actively considered by management with the provision that some 'due diligence' is undertaken in the context of workforce readiness (morale, lifecycle and previous experiences) for such information and also external environmental threats (new plant opening close by, competitor employment).

5.7.3 Differentiation of employee support

Employees should be segmented in terms of retention and support, financial incentives, training and development packages, career planning and financial planning form a core of support and retention. The monetary packages are of critical value as an employee support and management retention tool. Employees feel that a pressure has been removed if these incentives are generous relative to previous experiences. The study supports the assertion of Thornhill et al (2000) that employees will trade influence and promote compliant behaviours in the face of a generous financial incentive. In the study, the employees were grouped into the descriptive categories of retirees, geographically bound careerists, geographically mobile careerists and career changers.

5.7.4 Change readiness informs management teams

The process of change readiness assessment offers a pause for intelligent design on the basis of understanding the needs and potential vulnerability of employees, strengths and blind spots of managers whilst appreciating the value of context. The operating environment of closure is one of complex social change where organisation and stakeholders, employees and management, site and network all converge at a particularly brutal stage of the organisational lifecycle. Adept management is possible when context is understood but will be all the more difficult without such prior knowledge, as articulated in fig 25.

Closure Change Readiness

Internal Considerations

- Credible plan, particularly around the reason justifying closure and an understanding of the broad steps required to achieve transfer and closure
- Clear understanding of all stakeholders impacted – site, community, unions, other sites in the network
- Previous company history with plant closures – internal routines, checklists or procedures
- Management experience and competence in change management
- Management stability – how long have leaders been in positions and is role interdependency high?
- Plant condition and investment profile, is equipment fit for purpose or are there areas of concern that would give rise to employee concern?
- Existing relationship between senior management, site management and employee groups particularly with regard to trust and integrity. Employee experiences of redundancy and plant closure – capability, motivation and maturity around such initiatives.
- History of change implementation and classical site responses
- Human resource systems that are in place – are these conducive to change and supportive of transitions
- Current communications mechanism appropriate for intentions?

External Considerations

- Regulatory events – government regulators, MHRA etc
- Corporate context – downsizing, growth, alternative strategies regarding acquisition of technologies, or internal development prevalent
- Product portfolio performance in the marketplace
- Local economic strategy – enterprise areas etc
- Macroeconomics, local geography employment, industry employment trends
- Recipient site (site receiving the technology) dynamics considered particularly the relationship with the donor site

Figure 25: Change Readiness Assessment Considerations in a Site Closure (appendix 6)

5.8 Recommendations for Future Research

There are a number of research areas that manifest themselves as a natural development for this particular case study. Consideration of the categorisation model in application in other cases would merit further exploration. The segmentation model emerged from the coding experiences for the case study but such segmentation may prove useful beyond the case in question.

Applying the research questions to a different context could yield insights of a different but equally valuable nature to leadership teams. To review the public or third sector in light of the analytical framework would allow for a more robust test of the findings in diverse organisations.

The segmentation model too, might well be utilised in alternative industry contexts to determine validity and utility value of the structure to help in developing support strategies for vulnerable populations. This might well be extended further into the employment lifecycle whereby the unique challenges for workers during specific chronological periods of adjustment could be investigated. In addition, the use of segmentation within the area of human resource and change management initiatives generally could be explored.

Longitudinal extension of studying the employees from the site into their current employment would offer an insight into opinion of the employees some three years later. In addition, an understanding of how the financial retention, notice period and training packages prepared the employees for their new roles externally could be studied.

New insights have been generated around the concept of the productivity paradox and the study supports the claim that productivity can improve during closure circumstances. Although the thesis suggests some common drivers to existing research, servant leadership is proposed as a key determinant of high levels of engagement and cooperation that led to closedown efficiencies and higher throughput. Therefore further study on the value of servant leadership in helping drive such advancements outside of the drama of site shutdown should be studied.

Emotional responses in a closedown have been articulated in the research but these findings could be expanded beyond a factory shutdown scenario. The study has developed the Kübler-Ross (1973) framework and adapted it for the circumstances experienced during the closure and this could certainly be extended to other contexts particularly those with phased changes. The investigation into the crafting of management objectives by the shock, anger, bargaining and acceptance phases could provide further evidence to assist in the management of the emotional impacts of large scale change.

In another area, the planned change model and its utility and perceived effectiveness within the context of subsequent closures could well be examined. Although, the author has made a number of recommendations prior to concluding this thesis, he has no knowledge of how these suggestions were incorporated since leaving the organisation. The organisation was steeped in history around the famed planned CAP change model and it would take a great deal of executive courage to tinker with the proposition.

The phenomenon of instrumental collaboration too would warrant further study. It was not engineered in this particular case study, but occurred spontaneously due to the circumstances of the closure event and additionally the tenure and intentions of the management group had influence on the management approach taken. However, the manifestation of such organisation for group interest where both the organisation and group concerned benefit has interest beyond this particular case

study. Similar restructuring events might be explored particularly with the action research methodology to be considered.

A powerful element of the study has been the emergence of a style of servant leadership, whereby leaders committed at an individual level to deliver a 'last act' that was selfless, sincere and one that they could feel at personal peace with. This translated as manager creating the circumstances for employees to attend training, deliver projects, visit associated sites, which were not necessarily helpful in the context of delivering production at the time. In addition, these leaders became counsellors, confidants and mentors, developing future opportunities for the employees – some reaching out into their own networks. This too, could be explored further since the employees impacted regarded the loyalty generated by such acts with great affection.

In addition, the effectiveness of the decision to close on the expected strategic and financial benefits for the organisation could well be explored. It is suggested that many such decisions often do not deliver the expected magnitude of benefits. This would require access to sensitive information and now the author is an outsider, this is unlikely to be granted. However, a quantitative study based around factory closure notices and a comparison of forecasted benefits versus actual achievements could be considered.

At an organisational level the experience of the remaining sites where the work was transferred to, so called recipient sites, could also be studied in the context of a 'survivor syndrome' at the organisational level of hierarchy. The Gloucester workforce always had some concerns over the transfer of the technology and the ability of the recipient site to handle the nuances of relatively complex pharmaceutical products. This, in addition to the incremental volume transferred and productivity expectations would make a worthy route of enquiry since a majority of work in the area of 'survivor syndrome' focuses on individual work communities as opposed to international level site rationalisation. The research could explore the differences between the experiences of donor versus recipient sites when undergoing technology transfer initiatives with a focus on leadership and change strategies.

A review of the impacts of notice period and financial incentives on actual employee retention would also offer an opportunity to generate supporting data for the hypothesis that these two variables have a significant on the employee decision to stay or go. High levels of successful retention of skilled and competent employees are a primary foundation for a successful closure and at the outset it is retention ahead of engagement in order of priority.

The role of leadership resilience has not been explored during this study but the insights into the impact of leadership approach provide a complimentary line of enquiry into this area. Leadership teams require resilience when executing longer

term change initiatives or indeed change multiplicities. An understanding of how this is developed and might be supported would generate guidance to advance leadership performance.

The description of what constitutes a socially responsible closure can be developed further through study. As the external environment changes rapidly due to technological advances, organisations must consider responsible displacement of employees in addition to the fair and equitable treatment of staff during the closedown itself.

These areas along with routes of enquiry into differing lengths of closure events would provide a greater level of insight and understanding as both researchers and businesses alike try to find effective ways to manage individual and collective change in the context of such sensitive and traumatic changes.

5.9 Closing Thoughts on Closing

Our moral responsibility is not to stop the future, but to shape it...to channel our destiny in humane directions and to ease the trauma of transition'
(Alvin Toffler, *American Futurists* 1973)

The case study has offered a number of insights in the context of existing research. Although the productivity improved at the facility in a compelling way, it would seem the 'cutting the strings of managerial control' was not a driver in this case. On the contrary, employees felt valued, cared for and perceived the actions of management as sincere and commended the shutdown of operations as a socially responsible closure in the context of exploiting future opportunities. It is also suggested that company culture may well be a key determinant in whether managers would be allowed to retreat, in the case a culture of metrics driven reporting and execution focus was continued throughout the closure itself. However, it accepted the management team was given more discretion through reliability of supply and performance at quality audits. This capability created headroom that was used for employee development, which in turn motivated them to reciprocate with their own discretionary efforts.

The premise of organisational injustice, in that the UK site was selected as opposed to another European facility, certainly resounded with the employees interviewed. This was accepted amongst employees and management alike as a motivation and this generated a resolve to 'exit the company with heads held high' and look back on the closure as a period where obligations were discharged with professional dignity. This motivator is a subject of existing research and this human need to 'prove the decision-makers wrong' was affirmed at both the individual and collective level.

A vain hope that the decision might be reversed was also supported by those interviewed but importantly it was felt that this was less likely the more the closure event progressed. Most pointed toward the communication of the technology transfer

successes and challenges as offering bias in terms of their disposition toward this possibility. Early on where there were technology transfer challenge it was felt that the decision might be revisited or at least a contingency be developed. In the later stages, the belief was the decision was increasing irreversible in a practical and strategic sense.

The notice period given to employees is of critical importance and has a key role in determining how the closure unfolds. That said, the change readiness assessment is regarded as a fundamental improvement to the model actually used. The management team did not engage in such an exercise but on reflection this resulted in the team operating blind to potential risks of announcement. Fortuitously in this case, it did not have negative consequences but as a researcher, I'm cognisant that this would not always be the case. In most circumstances the information should be shared early, however a risk based approach should be undertaken to ensure timing is sensitive and dissemination of the news is a responsible management act.

Towards an Informed Understanding of Facility Closure Experiences

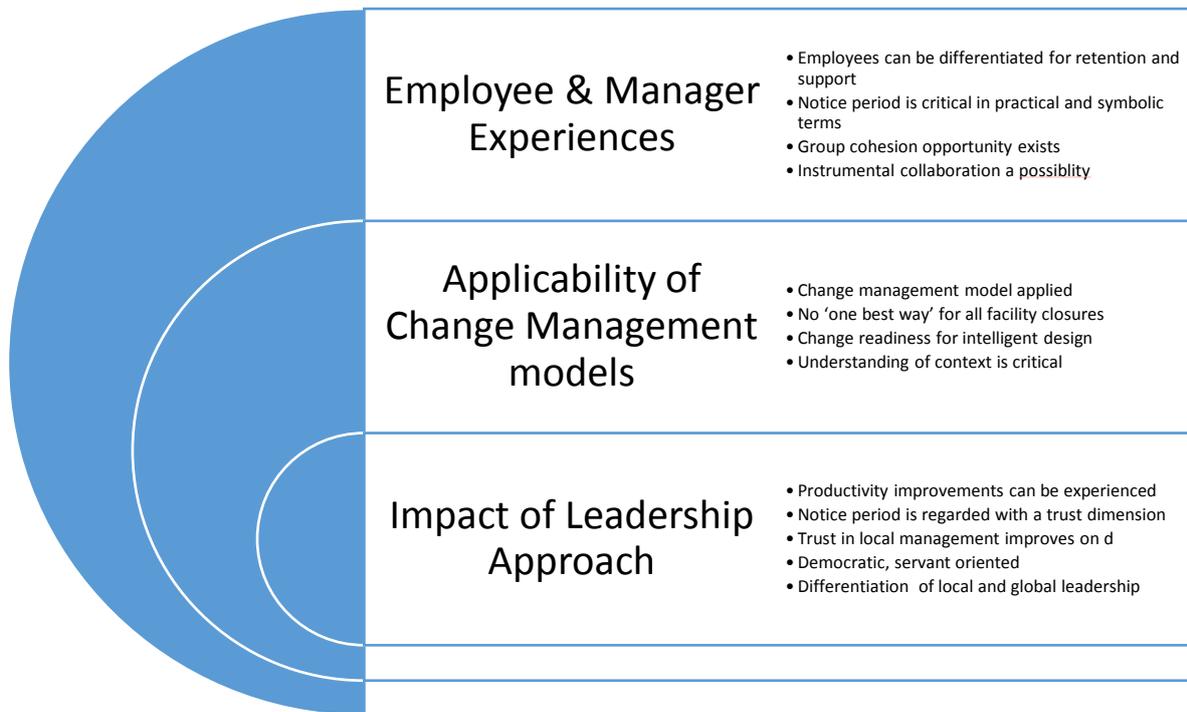


Figure 26: Informed Understanding of Facility Closure Experiences (appendix 6)

One should not underestimate the importance of a perceived generous financial retention incentive. This is a powerful management action and this goes some way to pacifying employees who have financial concerns following the announcement. The financial package is the core offering for the retention strategy and it is clear employees make decisions on the basis of comparisons elsewhere. This financial protection of organisation exit also leaves local management in powerful position when the redundancy discussions ensue.

As the closure unfolded it became clear the employees could be categorised on the basis their future intentions post exit. Providing for this, is important in a practical and symbolic sense since a 'one size fits all' approach does not align with the need to

treat employees as individuals. The study has been able to categorise employees on the basis of exit aspirations and as such needs more clearly understood.

Instrumental collaboration was evident as employees entered the bargaining/acceptance phases and made the step into commitment of the new order. Motivations around reduced external oversight and undesirable regulatory scrutiny became clearer through the study. Managers were allowed more discretion as facility deliverables were achieved. The hypothesis is that effective teams, cooperate and collaborate and with management support deliver results that ensure external executives focus their attention elsewhere. This gives the management team the space to balance delivery and development goals. Trust in local management increased due to early actions and perceived fairness and equity of approach.

In addition to this managers form roles as coaches, mentors and even confidants as employees explore their exogenous futures. For managers this presents challenges of balancing business delivery with employee growth aspirations. Discussions around goals for the employee whether local, moving location, career changing and retirement were assisted by engaged management. Over half of the management population would look toward early retirement due to the ability to activate benefits due to the 'redundancy life event'. When interviewed many talked about a selfless, responsible 'last act' in helping employees transition. Many suggested they were offering free consultancy, others making the assertion 'they wanted to look after their teams' since they had been good for them. This experience has not been previously reported in the context of a site closure.

The manager experience of closure is therefore two-fold in that they navigate the personal journey themselves but also help their employees navigate the road to organisational exit and represent a worldview. The local management team distancing with the external management group surfaced in the research and is regarded key in the community centric that evolved. This relative distancing has been noted by previous research (Illes 1996).

Such management actions were regarded highly by employees and led to higher levels of evolving trust amongst managers and their teams. This mutual understanding led to higher levels of relative discretionary effort and flexibility, ultimately leading to improving productivity and audit performance. What is apparent is that 'management' became clearly differentiated in local and external populations. Intimacy developed between local management whilst aloofness manifested itself between employees and external management. It would seem employees cared less for the external interest and desired independence of the site community more intensely. A 'siege mentality' of sorts emerged which was community centric and sits with the premise of instrumental collaboration.

The concept of servant leadership in the form of the manager asking 'how can I be of service to you' evolved during the acceptance phase of the managers and

employees journey. As employees used external support such as careers assessments, they required sounding boards for the fears, hopes and ambitions that manifested themselves. The extent to which the employees allowed themselves to become vulnerable to managers is a compelling indication of the strength of trust established and nurtured through mentoring by managers.

The change management model applied was ostensibly a planned model due to company culture. However, in the unfolding of the closure this was adapted, and in reality became more of an emergent approach and this is certainly more powerful in the view of the author. The planned model components offer the potential for structure for the change readiness assessment, which is a suggested addition for the proposed model. Planned models implemented in a dogmatic way lose the ability to be flexible and agile which is important in a closure environment. The aspirations of the initial management objectives of retain, deliver and engage are important for closure strategies.

Existing approaches explore and investigate plant closures for interesting outputs – productivity, worker displacement, and selection of closing sites, strategic success of closing factories. However, little is offered regarding the powerful narrative created by the conditions of a closing plant and community exiting an organisation as a complete work community. This work goes beyond the superficial and oversimplified concepts applied to closures and instead studies how the competing priorities have been reconciled by servant leaders to produce a cohesive community recovering from the shock of closure, job loss and the anxiety associated with an organisational death and ultimately becoming more resilient.

The quotation used to lead this section speaks to moral responsibility and that is part of the burden of leadership and ultimately citizenship. To do the right thing and to be ethically sound when facing the inevitable and unstoppable march of business progress is not easy. Human transitions are difficult, whether at the individual or group level but as leaders we can take an approach which is humane and compassionate. We may not be able to stop the organisational death that has been ordered by the corporation, however, we can ease the pain of job loss by being leaders who put the employee first and compassionately set the caged birds free.

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Appendix 1: Reflections

7.1 Introduction

'The unexamined life is not worth living'
(Socrates – in Plato's *The Apology*)

These words were uttered by Socrates when defending himself against the charges of corrupting youth and advocating atheism and were recorded by Plato some 2,500 years ago and were as relevant then as they are today. Socrates defended himself by protesting that he had been divinely inspired to seek out knowledge and expose ignorance. He was nonetheless found guilty and because he was prohibited from his vocation of philosophical inquiry he chooses the path of suicide - a dramatic story with which to start this section of the thesis!

Indeed, the process of examining one's work life or life in general allows for some sense of what one's overall contribution has been and one's purpose. It also enables a determination of what direction has been taken and the type of progress made. Furthermore, when one reads any existential work it is readily apparent that a sense of meaning or indeed 'being' requires an individual reflection before any understanding can be reached.

I'm certain Socrates would have considered this maybe the most important part of the thesis. Furthermore, this reflection on the research journey, is by its very nature personal and covers events, books read, courses and modules attended, people met and even some trips that offered insight into learning that I never anticipated at the outset.

I have used a great deal of reference material in this narrative – photos, personal quotations, drawings, lecturer feedback, anecdotes, course notes and general musings recorded in rather haphazard way. In turn, these words go some way to piecing together this jig-saw puzzle of personal development and reflection.

7.2 Reflective Practice

'Life is a series of lessons that must lived to be understood' (Helen Keller)

One of the icons of management thinking, Peter Drucker (1967) asserts that the value of reflection cannot be underestimated. In fact he suggests '*follow effective action with quiet reflection. From the quiet reflection will come even more effective action*'. Whether the practice is common amongst business professionals is the subject of much debate, with the pace of today's business environment suggested as the reason for lack of reflective activities (Sterman 2000). The role of reflection in learning is discussed by Moon (2007) where the emphasis on the individual experience of learning versus teaching is asserted. The fact that 'learning' is very

much an individual journey and that lectures, classes, syndicate discussions may aid that learning process is insightful. Teaching isn't necessarily learning!

Moon (1999) defines reflection in the following way;

Reflection is a form of mental processing – like a form of thinking – that we may use to fulfil a purpose or to achieve some anticipated outcome. Alternatively we may simply 'be reflective' and then outcome can be expected.

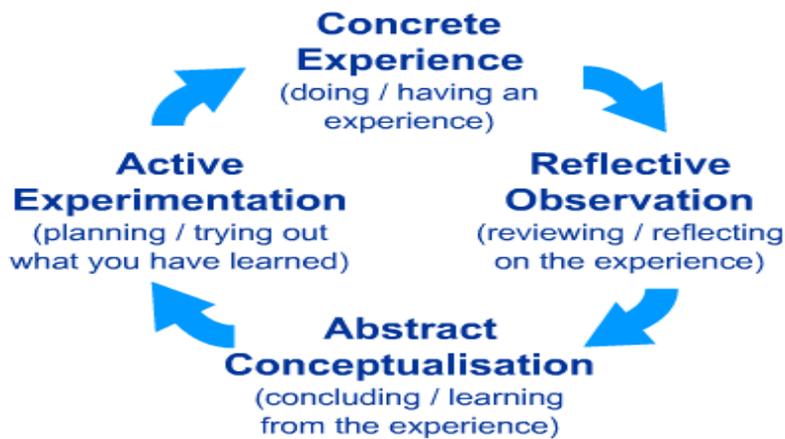
The term 'reflection' is applied to relatively complex or ill-structured ideas for which there is not an obvious solution and it largely refers to the further processing of knowledge and understanding that we already possess.

As articulated during the module sessions, reflection can be captured in the 'A-HA' or 'I see!' moments. These moments are often unpredictable and can come at the most unexpected of times, I Have found that travel on business has afforded many unexpected moments of insight. The work of Bolton (2001) suggests that reflection is understood by 'doing' as opposed to reading. It's a process of self-examination which then leads to the scrutiny of third parties and potentially the learning of others through work created by them.

Whatever the quality of the written material, knowledge of the instructor or the competence of the presenter, what is absorbed is almost a 'transfer function' through to the learner's own world. That 'transfer function' is a condition of the learner motivation, learning style, existing knowledge and ability to absorb and process information (Moon 2000). The DBA methods of teaching have allowed for some high quality experiences, in my view, whereby some deep and meaningful discussions have taken place in small, intimate groups. This experience has been markedly different to the MBA where it was certainly a case of being lectured to by relative experts, which may well have been appropriate for the aims of the MBA curriculum.

The Kolb (1984) learning cycle (figure 1) helps illustrate the process and role of reflective observation in relation to the experience of learning. The conceptualisation phase allows some conclusive activity based on the experience leading to the active experimentation stage where the learning can be applied. The cycle is iterative indicating the continuous nature of learning and developing as an individual.

Figure 1 Kolb (1984) Learning Cycle



Work by Sambrook (2008) suggests that critical reflection at the doctoral level concentrates around three related process areas:

- Questioning and reframing assumptions that may have uncritical acceptance as common sense wisdom
- The formulation of an alternative view on actions, ideas, reasoning and ideologies that have previously been taken for granted
- The recognition of the hegemonic aspects of dominant cultural values and to understand how self-evident renderings of the ‘natural’ state of the world actually bolster the power and self-interest of unrepresentative minorities

In this respect certainly my research question scrutinizes the experience of change at a closing facility and also challenges the notion that GE’s CAP (Change Acceleration Process) is the most appropriate way to handle an organisational change such as a facility closure. The alternative view has been formulated around distinct branches of inquiry with respect to employee and manager experience at a closing facility and also the employee perception of management actions. Fundamentally, the work suggests an organisational death should be handled differently and argues that change experience aren’t effectively *accelerated* but follow the natural grieving and mourning processes of all humans. The hegemonic aspect clearly alludes to the dominant view that inevitable changes should have some method of expedience for organisational efficiency as opposed to accommodating the humanistic elements.

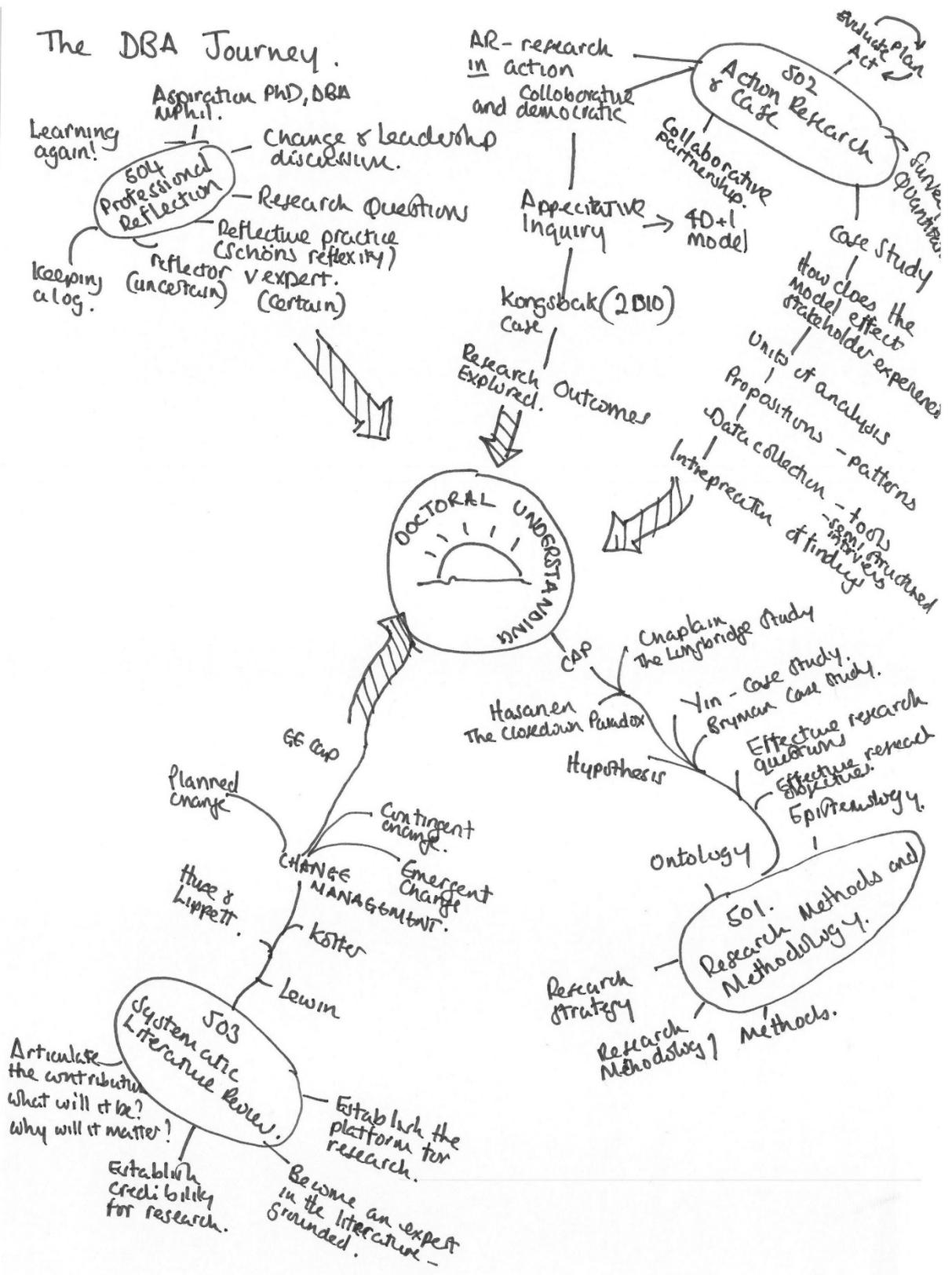
7.3 The Journey to the Doctoral Thesis

The task of completing an advanced qualification with the additional pressures of a demanding job with international travel requirements and family was underestimated. It is a test of sheer will and determination to complete each logical stage of the thesis

and supporting taught module work. When the pulls of both work and family are so very strong this makes it more challenging and especially when one cares passionately about both. So why introduce this additional and eminently avoidable burden? Initially, the need was to stretch myself academically and also create some meaning from the experience of the facility closure. During my conversations with Philippa Ward (DBA Course Leader), I was cautioned that the research subject may well translate as an emotional journey and that has manifested itself in a tangible way. As one reflects on the research itself, this emotion has recurred on many occasions and is iterative. Phillipa cautioned me that although a compelling research subject, I should be cognisant of the personal impact of the closure event. This is advice I have been appreciative of as I weave this reflexive conclusion.

Of course, although the Doctorate qualification in itself is a laudable aim, the momentum on my part will only have been justified by the experience of learning and growing through the research. In this respect, the Doctorate has offered a great deal and provided an opportunity to embrace the 'work of the world' as opposed to the 'work of GE' and/or 'the GE way'. Exposure to different ways of thinking, cultures, methods and philosophy has unshackled me from ten years of organisational dogma and given me a confidence that has been generated through a feeling of DBA 'independence' or even emancipation! The reality has been that the DBA structure provided by taught modules has enabled me to gain the understanding and also develop the skills required to advance into the research phase. The personal Doctoral journey thus far is illustrated in the drawing .

Drawing 1 – The DBA Journey



7.4 Systematic Literature Review

'All that mankind has done, thought or been: it is lying as in magic preservation in the pages of books'. Thomas Carlyle.

The systematic literature review was a real 'baptism of fire' back into academic study, in the respect of the amount of time required to generate a quality end product. Literature reviews can very much be a journey through one way systems and blind alleys. It is apparent that what one initially considers iconic work in the subject area end up being less than commendable pieces work when references, research methodology etc are actually analysed.

This module was onerous in the respect that the enormity of the task ahead became quite clear. To provide yourself, as a researcher with the credibility to progress the research, the literature must be surveyed and analysed. This is obviously to ensure there is context for the research, trustworthiness of yourself in terms of your knowledge and then also a clear indication of the unique contribution your work will potentially make.

I have to admit, I have never read so much in my life! There is a clear thread whereby one piece of work and its bibliography leads to another and so on. The amount of reading required to immerse yourself appropriately is quite extensive and even though this coincided with a lot of international travel so meant I had plenty of airport/aircraft time and less family contact, this was still onerous and mentally exhausting.

Again on a number of occasions, I questioned my ability to work through this considering the enormity of the investment required and the competing priorities of family and demanding job. The internal dialogue always anchored me in the 'why' of this decision to enter the DBA programme – to create meaning from the closure experience and open my mind to future possibilities. This anchoring has helped me through an awful lot of self-doubt.

One particular session at the University enlightened me on how I could take some of the 'grunt work' out the process. Mentally, I had persevered with most pieces of work until completely read, since I was unsure whether I could discard the work or not. However, with some guidance from Philippa Ward in one session it became clearer that lots of key information could be picked up from the first page and bibliography to determine it's relevance and academic quality without being misled by some compelling titles. These factors which can be gleaned include;

- Location\geography of the study
- Independence\sponsorship of the research
- Research methodology executed

- Ontological disposition of the author\
- Publication quality and credibility
- Bias of research
- Language and terms used in the abstract

7.4.1 Cognitive Skills in Literature Analysis

The cognitive skill of being able to analyse a piece of literature was greatly enhanced once these lessons had been applied. As Moon (2007) suggests there is 'learning' and the 'representation of learning' and once skills are learnt, it is the output of the literature review or indeed this narrative which is the 'representation of learning'.

In her work, Moon (2000) discusses at some length, the 'brick wall' view of learning in comparison to the constructivist perspective. In the constructivist order the metaphor is one of '*a vast but flexible network of ideas and feelings with groups of more tightly associated linked ideas\feelings.*' This alternative perspective is dramatically different in that rather than 'right' or 'wrong' bricks in the wall and hence purely an accumulation of knowledge. The constructivist view suggests that new ideas are plugged into the individual network and may be modified in the process. This is described as accommodation in that the new material of learning can in fact change what is already known. Alternatively this knowledge can be changed itself by what is already known.

Moon (2000) quotes Zuber-Skerritt:

People understand themselves and their environment and anticipate future events by constructing tentative models or personal theories of themselves and their environment, and by evaluating these theories against personal criteria as to whether the prediction and control of events(based on the models) have been successful or not. All theories are hypotheses created by people.

The cognitive state at the time of learning will determine the selection and assimilation of the new material. This suggestion explains why we pay attention to certain material, what we choose to learn and how we make meanings of the material being learnt. Simply put, none of us are blank pieces of paper on which an educational institution will write its own story or its view of the world. The 'meaningfulness' of what is learnt is very much a product of the individual. The constructivist view is one that resonates with me more clearly, in that my DBA cohort brought a variety of perspectives in both cultural and vocational forms. This surfaced during our discussions and the fact it was such a small group of four people enabled that. Each lecturer effectively shared material but tried to draw out the experiences of the cohort and this facilitated debate around the concepts and ideas being presented. The MBA I completed lead the students to share much less and it did

seem to be more of assembling a brick wall of knowledge in terms of specific subject areas.

7.4.2 Conceptual Framework

Clearly it is not sufficient to review the literature, imbibe conclusions and articulate the arguments in each paper. That is merely a starting point, what is needed at this level, is the ability to think for oneself and engage with ideas actively and critically. I feel at the outset I was reading much of the work in my research area with a passive admiration, and the ground covered in terms of number of papers read was my yardstick. Now picking higher quality pieces of research and applying a 'critical eye' to work is more important – a question of quality versus quantity of review. Also much can be gleaned from research in terms of methodology and 'how to' as much as considering the output and conclusions - the 'what' of the research. The conceptual framework drawing below offers further insight in terms of the place of the literature review and how it has developed.

CONCEPTUAL FRAMEWORK.

The framing of the research relationships.



7.5 Contributions from other Literature and Life Experiences

7.5.1 Spiritual Development

Whilst on business travel I read a spiritual development book 'Thoughts From the Peaceful Warrior – Dan Millman', which I thought contained some quite profound lessons that weaved well with my doctoral study. I've tried to capture parts of the book that meant something to me and how they complimented the doctoral work.

One chapter contained the following;

Practical Wisdom: Student and Teacher conversation;

'I still want to know what we can do for each other'.

'Just this: I wouldn't mind having one last student, and you obviously need a teacher'.

'I have enough teachers', I said too quickly

He paused and drew a deep breath. 'Whether you have a proper teacher or not depends on what you want to learn.'

Reading this book enabled me to reflect on the question of what it was that I actually wanted to 'learn'. The journey had definitely started with the purpose of becoming an expert in change management. Furthermore, to understand how the change management system applies throughout all GE companies. However, as the study evolved and I advanced my research skills, it struck me would be key to solving the more complex management problems I would face in the future.

Another quotation within the book resonated with me since it was very similar to the words that had been used by my research supervisor.

'An expert is somebody who knows more and more about less and less'.

This in a similar vein, was explained to me by my research supervisor that the DBA thesis would lead you to be the 'world's expert' on your particular subject area for a moment in time. That seemed preposterous to me at the time, however, now I've had the opportunity to reflect I can see the sense in what was being said. The research itself and focus and home in on such a small area of research that one can in fact be the world's expert, for at the very least is almost authority on the subject area for a short period in time. Knowledge is being created and innovated continuously so that period of time may well be variable dependence on the interest in that research domain.

'You haven't yet turned knowledge into wisdom'

In the book the teacher explains the difference between knowledge and wisdom as a distinction between knowing what to do then actually doing it. This again, made me reflect on the distinction between the Ph.D. the DBA. The DBA had a clear business management premise whereby actual value would be created for the sponsoring organisation as a result of well-structured and meaningful research. Knowing the answer to a research question would not necessarily lead to a change in practice or indeed an influence on site, business unit, or company philosophy. The theoretical elements of the DBA have the development of praxis within the framework of study. Turning the knowledge assimilated through significant personal investment into wisdom acting personal, site and business unit level would be the ultimate aspiration of the research output.

' Don't be afraid', he repeated.' Comfort yourself with the saying of Confucius', he smiled. Only the supremely wise and the ignorant do not alter'.

This quotation deals with the perpetual problem of change and human resistance in the face of change. The narrative talks about the wise being like water, perfectly adapting to the shape of container or finding a channel through an obstacle. In contrast stones do not change, they merely break or wear down over time. The argument made in the book is that the wise retain balance whilst surfing the inevitable changes that arise in life. There is wisdom in personal flexibility and acceptance that nothing stays the same and to resist this fact of life only invites great stress, suffering and pain.

Adversity can create great opportunity for learning through reflection. This literature suggested that such lessons can leave individuals and groups stronger and wiser and more compassionate. This thought has obvious impact with respect to the personal and community adversity that will be experienced during the facility closure. This book offered a source of great personal reflection for me on both a personal, academic and professional basis.

7.5.2 Reflections on Travel Experiences

Everything can be taken from a man or a woman but one thing: the last of the human freedoms to choose one's attitude in any given set of circumstances, the choose one's own way' Victor Frankl (2004)(Mans Search For Meaning: Lessons From the Concentration Camps)

I visited Sarajevo with a close friend after watching an international football game in Montenegro. We had decided to visit several countries and progress our international 'tick lists' to Serbia, Albania and Montenegro finishing in Bosnia to spend a few days in Sarajevo. Always a place I had wanted to visit since it had been described as the European Jerusalem due to the fact that in such a small area all the major religious denominations have their primary religious houses for the city. Also the events of the early 1990's and the news reports from the siege Sarajevo covering snipers alley and airport tunnel will live long in the memory.

During the visit and some of the tours I went on to visit what was snipers alley, the airport tunnel in Dobrinjca (photo of the devastated residential district below) and the city library which was famously the scene of the 'Cellist of Sarajevo'. (A story of a local cellist who ran the risk of being shot by a sniper by playing outside the destroyed national library for 22 days to commemorate the 22 Sarajevans killed whilst queuing for bread at the central market, Galloway (2009)). You still sense some grievance of the part of Sarajevo's citizens with regard to the pace of international action which they believe should have been far quicker to avoid the 10,000 lives lost during the siege.



Dobrinjca District, Sarajevo 1992

The visit offered me a pause for reflection on the strength of human resolve and also about the choices people make in the face of adversity. It helped that the tour guides actually experienced the siege – one in the Bosnian army and the other a civilian in the midst of the siege. Simple tasks like securing clean water, by virtue of walking a risky route to the city brewery, were given a new dimension. With no water for toilets and sanitation services people had to bag up their own excrement and dispose of it in hastily configured city dumps. The survivors talked of their choices and articulated the 'Sarajevo spirit' which they offered compassion, invention and guile in the face of the depths of despair.

The narrative of the tour guides provided real context to the actual experience of living in the city under siege and this made me think about the parallels with my research. Although a facility closure cannot be compared directly to a siege incurring 10,000 fatalities the fact the narrative and seeing the location offered such a rich insight to me and this struck me. The qualitative approach that I was intending to use could also elicit the rich insights I believe would provide an understanding of the reality of a site closure and potential value of a change management strategy. In

addition, I did ruminate a little more on the narrative inquiry approach and work I had read by Andrews et al (2008), but decided not progress this alternative.

7.5.3 Training Experiences outside of Doctoral Study

Breakthrough Leadership Training

'Leadership is an intensive journey into who you are'. Jeffrey Immelt CEO GE

Early in the lifecycle of the thesis, I attended a training course run by GE, but not one of the normal 'GE Way' inspired courses. Work inspired by the likes of Carl Rogers and Carl Jung and pretty much an invitation to self-discovery. On the course a breakthrough is defined as 'the moment you decide to do something different so that you will never be the same again'. This articulation of a breakthrough struck me as a profound insight.

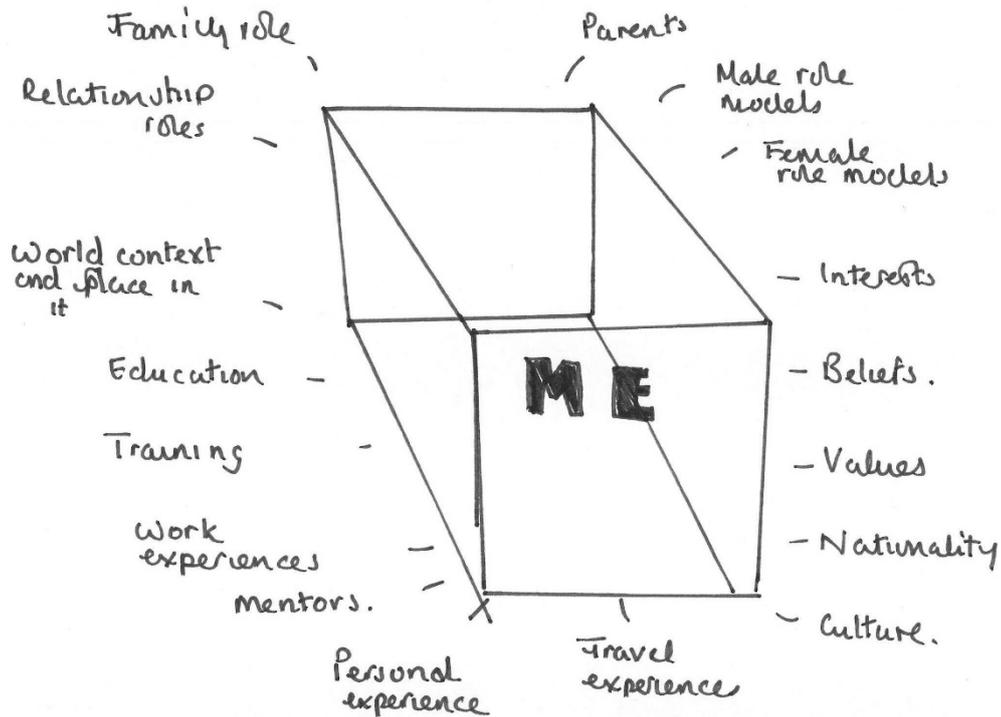
I attended this course, held in a Chateau an hour outside Frankfurt in Germany in the fall of 2011 when the DBA was underway with the systematic literature review and research methodology modules complete. I have to come to expect a lot of GE dogma in the company run courses with some significant self-promotion of the 'GE Way'. This course was very different and was quite uncomfortable in all honesty, in the respect that it became an intimate experience. The format of seating during the opening was novel in that there were no desks and purely a circle of chairs to enable everyone to see and face each other. The facilitator would not start until everyone was in place and then asked for an agreement that computers and Blackberry's were to be switched off and left in our rooms – this disconnection with technology was to be part of the course. A realisation we would have to come to ourselves after the week that the organisation would in fact survive without us. The facilitator also asked us to consider the term 'servant leadership' which he explained was about being enabler for the success of others but very much a background figure.

Through some very deep discussions the group work together at articulating what we identified ourselves as with regard to roles, history and aspirations. The lead me to reflect on the quite uncomfortable discussion early on in DBA reflexivity module with the question from Andy Bibby to our learning set which was 'Who are you?' This struck me then and still resonates with me until this day, in that we so easily intertwine our roles, names, interests with who we are. Who I am right now? Well this in my view is a dynamic when I consider my own personal reflections on the roles I play out on a daily basis. A drawing made after the discussion follows and it illustrates the complexity of identifying 'the self'.

Drawing 3 – Examination of Self

Examination of Self.

When we let go of what we believe we are,
we become what we can be. Lao Tzu



The drive to authenticity - who is the real me?

The drive to authenticity - what are the real motivations?

From the drawing above which was made on the course the reader may get a clear indication of the depth of discussion which preceded this. Along the lines of the DBA504 philosophical poser the discussion focused around the group's view of the 'self' and personal identity. In some cases the discussion was emotional when the roles of parents were considered. Listening to some individuals volunteer very personal stories required an element of hubris and compassion for the entire group and this seemed natural, although the environment was a little uncomfortable for me.

Again the question of authenticity arose – who is the real Steve McCairns? The further question of 'Who are you living your life for?' was also posed. (My discussion on Heidegger, which follows, eludes to the same questioning of self and being). These questions have an impact of your role as a researcher to an extent, since that is classified as a role too. More complexity is added to this in the form of being an insider researcher with all the advantages and challenges that brings. Who am I to myself? Who am I to this research? This self-awareness is an important component of the insider researcher role as Coghlan and Brannick (2010) suggest. Again, I reflected on the ontological position which asserts the social construction of phenomena and how this makes sense in the light of the influence of beliefs, values and sense of self within a research environment.

7.6 Research Methodology

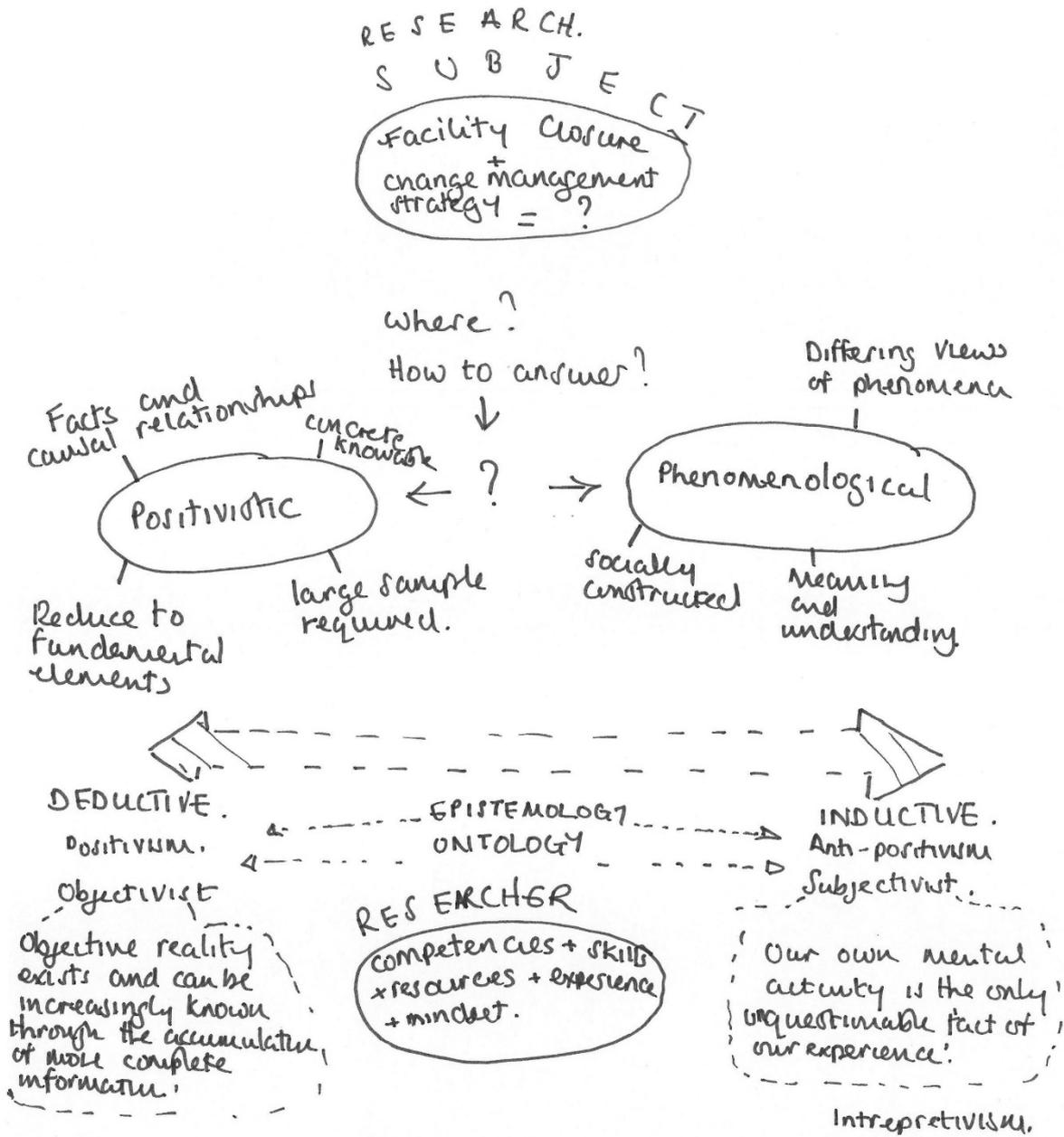
The research methodology training provided insight and offered a great stimulus to learn more about the variety of approaches that can reasonably be taken to answer research questions. It also gave me confidence that I could present my proposed research methodology and position to my cohort and teaching staff. Furthermore, I found myself being able to defend the approach in the midst of justifiable challenges.

Again, divergent opinions with my cohort members and teaching staff became clear in the context of the work of Robert Yin (2014). I had become fairly comfortable with the view that a case study as the way to proceed for my research and I was advised by my research advisor the Robert Yin's (2014) work would be a great starting point. However, others within the university fraternity suggested that the work was, in fact, not well written and not necessarily a great reference in that respect. This made me a little cautious and hesitant in terms of investing in the purchase of one his books but I decided, nonetheless to proceed

I found the work eminently readable and it offered some great guidance with respect to case study application. Examples were a key part of the Yin (2014) literature and to see the application of the methodology in cases similar to mine was key. This work reinforced my opinion that the case study was an entirely appropriate and capable instrument for which to answer my research question.

The drawing below describes my thought process in an illustrative way and importantly considers the rival propositions considered for approach. In terms of research paradigm, I had considered the complete spectrum from positivistic to phenomenological and advantages and drawbacks of each. As you might expect this is discussed in more detail in the research methodology paper itself. The module itself, through the formative submission and onto an improved and more professional summative submission, left me in a position where I felt competent with regard to my selection of research approach. The drawing below helps articulate the thought process and considerations accordingly.

Paradigm :- Thought Processes.



7.7 Undiscussability – The Corporate Context

During a Lean Six Sigma training course (I am certified to Black Belt level) a discussion developed around the impact of successful lean initiatives within the organisation. The trainers asserted that reduction in force (RIF) should not be broached at the outset of any Lean deployment since that would discourage initial 'buy-in'. They also suggested that this was not ultimately the aim of Lean but a drive toward organisational efficiency was the aim. My experience as a leader is different, in reality the benefits of Lean are always captured in 'productivity funnels' which have material, labour or overhead impacts.

During the action research module the compelling subject of 'undiscussability' was explored. This encounter with an operational excellence leader and training team brought this issue to the fore. Having been assigned Lean Six Sigma training as a route to broadening of the leadership skill set I was keen to embrace the learning opportunity. The tools applied to eliminate organisation wastes and reduce variation make a great deal of sense to me. With the rigor of GE it means the tools are applied in a disciplined way and monitored accordingly.

I'm aware that through my leadership role that Lean enabled organisational efficiency often results in the form of headcount reductions due to the additional capacity created. This reduction in force(RIF), I raised during the 'open discussion' much to the consternation of the trainer. So much so, I was taken aside after the days training by a more senior member of management to explain that RIF could not be the aim of the Lean Six Sigma and this certainly should not be mentioned at the outset of any initiative as I had been instructed beforehand. The more I argued that being transparent and honest was important and that the focus should be on creating a safe career path for displaced employees, the more apparent the 'undiscussable' nature of this intention became. I was left that an expectation that reduction in force would not be broached in the early stages of initiative to allow for this faux employee 'buy in'. This approach, to me, is disingenuous and insincere and does not sit easily with me since such an action is not congruent with my beliefs. Also this example, is maybe why there is some lack of trust with certain senior management figures within the company. Later reflection led me to ruminate on whether the DBA had, in fact, made me a little more rebellious, this may well be the case.

My thoughts spread to other 'undiscussable' phenomena – travel classes, meaningless metrics, ritual 'deep dives' and non-value adding roles, some of which I had tried to broach before and had received a similar 'corrective conversation'. The work of Argyris (1980) regarding the undiscussable nature of certain organisation subjects resonated with me in this instance. He suggested that the discussing or writing up of risky issues is discouraged through organisational norms and this undiscussability becomes in itself undiscussable!

7.8 Life at a GE Closing Facility

'Our moral responsibility is not to stop the future, but to shape it.....to channel our destiny in humane directions and ease the trauma of transition'. Alvin Toffler (1973), Future Shock

Diagram 1 -Monitoring & Review Meetings for Facility Closure Management



As predicted by many the closure experience is manifesting itself as a collective and individual emotional journey. Much of the planning and review for the closure program, has taken place in multi-disciplinary meetings which are identified in diagram 1. The various meetings involve specific layers of the GE hierarchy and a majority of the key decisions concerning the project are made by the executive steering committee of which I am a member. Having the site represented at this level, has been important and there has been a critical incident or two which I reflect on below.

The work of Bridges (1991) which I encountered early on articulated the three phases of change see diagram 2. The discovery of this work has been profound, offering me a real structure with which to understand the human side to change – the personal transition.

Diagram 2 – Bridges (1991) Managing Transitions – The Phase Model



Reading the work of Bridges(1991) and others during the systematic literature review phase helped me understand other approaches to change management and also how change initiatives can fail. The work separates the personal transition from the change itself, arguing the change is situational but that transition is psychological. For me one of the most profound findings of the Bridges (1991) work is that the 'ending' phase is critical and that there must be allowance for this 'internal transition'. This must be achieved through collaborative and respectful means, allowing time for the grieving process and the natural expression of anger, frustration and feelings of loss. Leadership must be accessible and visible so I ensured that happened by scheduling my time at the facility and insisting the leadership team did similarly.

I was also conscious of the need to initiate the vision for the 'new beginning' by developing an influencing strategy around key stakeholders and getting early buy in. Using stakeholder analysis tools, I set about this task, explaining to key influencers that the 'training and development' support through the three year period would be key to both retention and engagement. I used case studies of other closing facilities to illustrate the point within an executive steering committee. Although my enthusiasm was lauded, along with the effort of researching the case studies, a comment regarding the need understand my 'executive position' as opposed being seen as a 'shop steward' caused me some consternation. It would seem that an executive must always consider frugality in the first instance, despite the fact there are compelling advantages to treating the site community the right way and making this a socially responsible closure.

This episode left me deflated and disappointed in the disconnection between the espoused (we will do everything in our power to take care of the site community) and genuinely operated values (consider financial advantages in the first instance). It also left me in a little more of a compromised position since those were the very same executives who will make a decision regarding my own future following the facility closure. The point being made by the executive was that I was in fact putting the staff first and not the business financials. My view is that without the competencies and knowledge of the staff, there is no viable business in a fragile

retention position. When I explored this a little further with the individual making the comment they asserted that they would be concerned that an expensive precedent would be set for other sites to follow. I countered that, as long as the precedent being established was effective and reflected well on the company why should that be an issue? Again, financial priorities were emphasised and indeed my 'personal brand' was referred to in potentially negative terms. At this juncture, I felt that further exploratory discourse would be counter-productive for the site community and indeed myself and concluded the conversation with a 'mutual understanding' of the clear business need. Of course, one has learnt over a career that there are 'battles to fight and wars to win' and in this instance I used stakeholder influencing at a later date to secure funding support for scaled down training and development financial support package.

In addition to this I have had to represent the site in a responsible way when the financial function has asked for annual productivity enhancements. Although a regular and expected part of a site executives list of tasks for a year the delivery of productivity (a financial measure focused on base and variable cost efficiencies) is more challenging and indeed unrealistic within a closure scenario. Initially I met a wall of resistance from the organisation who demanded a similar productivity performance to previous years. This worried me greatly, since it was clear that the pressure that the closure places on a facility in terms of retraining and decommissioning processes was not understood by leadership. I reflected that the only way to tackle this was my managing and educating my US based manager of the impact of closure and the additional workload. This was done with a series of conversations and visits to the site. There was not necessarily a dramatic change in thought immediately, but incrementally my manager came to understand the obstacles to productivity and risks involved and subsequently became a major support.

7.9 Kandinsky Art as a Metaphor – Revolution and Evolution

The painting below is one that once adorned my office wall and was a prompt for reflection and continues to provide this. I regard it as a contemplative work and one that has helped with creativity at work. The fact it is abstract is incredibly important to me, since abstraction is art without representation, and as such, has no apparent or immediate reference to the world in which we live and is open to its interpretation. For me the work effuses creativity and a mysticism and is life affirming, when one considers the background of the artist who was one of the earliest innovators of abstract art. He was one of the leaders of a 20th century artistic revolution where art was created without subject matter. All disciplines need revolutionaries and one might argue that change management research is no different with the likes of Lewin, Bridges, Kotter offering defining work in their own field.

Simply put Wassily Kandinsky thought differently and expressed himself differently as a result and is rightly considered a breakthrough artist. He furthered his work in literature by writing a book about spirituality in art where he conveyed his belief that colours can communicate without reference to subject matter. In this work, he suggests that black represents a closure or depth; yellow the intensity of a high note in music, red intensity of emotion and blue cool aloofness. Shapes too had suggestive meaning for the artist with circles providing the most peaceful of shapes, whilst the pyramid inferring the spiritual life. With these cues the painting is rich in emotion, psychological intensity and offers and encourages insight.

When I look at the painting I see a journey – whether individual or collective. Previously, I saw this painting representing a management problem and at the top of the pyramid there is the eventual solution. It is clouded with circles and other shapes some of which are outside the pyramid and are indicative of ‘going off at a tangent’ during the problem solving phase. Now I see this painting as representing journeys – my work journey, my DBA journey, my life journey. For each journey there is an end and many journeys will overlap but fundamentally each has the ability for a spiritual affirmation of the self. Kandinsky talked about his art being an ‘internal necessity’, and as I reflect, the DBA research is compelling in a similar way as I try to create meaning from the closure experience on a personal and an organisational level. I’m certain I will take this contemplative work of art wherever I go now!

‘Abstract art places a new world, which on the surface has nothing to do with reality, next to the real world’ Kandinsky (1912)

7.10 Problem Solving and Developing Understanding

We have reached the end of problem solving as a mode of inquiry capable of inspiring, mobilizing, and sustaining human system change. The future of Organization Development belongs to methods that affirm, compel, and accelerate anticipatory learning involving larger and larger levels of collectivity. David L. Cooperrider Postmodern Principles and Practices for Large Scale Organization Change and Global Cooperation 1996

A thoroughly consuming module on action research, led to a tentative foray into AI, which then made some sense and became captivating in the context of my research question. There were some weaknesses with the approach, no doubt and indeed my formative attempt at conveying the reasons and validity of the approach were not compelling or well versed. Indeed, I was encouraged to more explicitly provide the reasoning and argument. Surface the compelling evidence for this reasoning and also ensure I had adequately covered the alternative view.

The conversation I had with the lecturer counselled me to convert the verbal passion shown during our discourse into the written word and some expertise was shared. It also became apparent that I was trying a little too hard to use the academic language, maybe in an aspirational way. The advice was to keep it simple and focus on the substance whilst keeping the work conversational in an academic sense. Not using a 'telephone voice' but making it a more authentic conversation resonated with me and that is the way I worked with the summative development which was well received. The other analogy used was that of learning a new language or dialect and this too made sense and I accept that with time, this will become easier.

The lecturer advised that he still did not believe that AI was the right AR approach for the facility closure but could see some merit in what I was articulating. He concluded the decision must be mine and whatever I decided must be well reasoned and thought through and the paper should clearly articulate that. Additional pointers were provided on structure and grammar which were valid too.

Using the Kolb (1984) model from the reflective learning phase comes the abstract conceptualisation where there is conclusion and learning from the experience. In this respect, I have found the conversations held with lecturers after the formative submission incredibly valuable. The 1-2-1 time offers almost complete focus on the formative work and it seems to me that the lecturers offer a 'little of themselves' in these discussions. It also becomes apparent that there is a diversity of views and perspectives and although at first this was disconcerting it is now of some comfort to me. That is in the respect that diversity of view can be embraced and even valued and it can be right and alternative view can be right too!

The work of Baxter Magolda (1992) on the 'Stages of Knowing' seemed to provide a relevant context to this encounter after considering my initial position. This seemed to equate with the absolute knowing phase in which knowledge is viewed as certain and there are 'right' answers for one to acquire. Any differences are considered pure detail, misinformation or opinion. This then leads to the transitional stage of partial certainty and partial uncertainty. In this next phase, the perspective is one of understanding as opposed to pure acquisition of the existing knowledge. Independent knowing comes next where an individual accepts there is both uncertainty with knowledge and that everyone has his or own beliefs. The final phase is contextual knowing where it is accepted that knowledge is constructed and any judgement must incorporate the context. Opinions must be supported by evidence and the teacher is partner in the development of this appropriate knowledge. This where I feel the discussion eventually ended and only after using this model can I see the evolution from absolute to context in terms of these stages.

The thought processes undertaken are important to reflect on in the frame of the model. Other people's opinions should be considered and in an assignment marking one is even more cognisant of that as in a work environment where position authority has a role. However, listening to those views, it is then you figure out what you really think and believe. Determining the validity of each opinion enables a multi-dimensional perspective to be taken. Having the uncomfortable conversations has enabled me as individual, to have non-emotional 'tug-of-war' on the knowledge area and then remove myself from the discussion and re-evaluate. As an example in the AI work – it did not remain the same – even if I decided to retain that particular AR approach. I tackled the areas of concern, researched more thoroughly and sought additional opinions with an open mind. There is no doubt subjectivity in this process and it is only with a rational confidence can you have faith in your position. It is clear to me at the outset of the taught modules, I would not have retained AI but would reworked as suggested, because my confidence in this type of work was at a less mature level.

A further encounter to offer was the conversation I had with my research advisor following the formative feedback I had from the lecturer, whereby the term 'liking a good argument' was used. I have come to understand this through the taught modules, now I can passionately argue with someone I respect for their history and position at the university, whilst before I would have seen it my job to 'defend' my research question or work and did become a little offended and sensitive to criticism. The latter approach is not conducive to learning, since I have a lot of that to do. It has also changed my approach at work, whereby I am less rigorously defensive of work I have created; accepting that another view from outside the site organisation may well have validity and value.

Again, much of this can be attributed to being out of academia for some time and the last experience being the MBA which was very different in structure to the DBA. For instance, there do not seem to be lectures as such within the DBA curricula, I would

describe them more as consensual, collaborative discussions with informative slides providing some structure for the ground to be covered. It felt as if all participants were equally valued in terms of their own experiences whether from the business or the academic world. Questioning is actively encouraged and many of the discussions have excited an interest in me in terms of related subjects particularly philosophy and how that relates to personal and business life.

In the case of the AR assignment, I first decided to change my approach to CI and dispense with AI as too controversial and too much trouble in terms of creating a passing piece of work. However, following some reflection and discussions with a number of people, including my research advisor, I decided to return to AI. The approach to me was compelling and I had even joined LinkedIn professional groups which were furthering the aims of AI. From this I was offered an extraordinary case study of closing facility which adopted AI and actually avoided closure. The more I read, the more I understood the approach had some merits for my particular case and further to this it made sense to me as a person. What I needed to do was articulate the reasoning more clearly and make this more compelling and not ditch the entire piece of work at its first challenge.

I needed to better read and understand more successful applications of AI and surface the weaknesses honestly but with thought through mitigation. Once I had decided to take this fork in the road, I would be disingenuous if I suggested that I did not have doubts and some restlessness. I certainly did and that uncertainty lasted until submission date where my tweaks were continuous. Fortunately my summative submission was well received and the defence of position was supported in a balanced sense.

7.11 The Philosophy of Phenomenology

'The most thought provoking thing in our thought-provoking time is that we are still not thinking' Martin Heidegger

The work of Heidegger has been particularly captivating when this was discussed in a conversation with a member of the University fraternity. It was also discussed in the research methodologies module as ontology was reviewed. This work has been difficult to read and understand but ultimately worthwhile and I think has added to my perspective as a doctoral student. Indeed the distinction between 'being' and 'beings' may not appear significant prior to reading 'Being and Time' but it certainly is after. The impact of the deconstruction of established vocabulary so aptly fits with reflective learning albeit on an entirely different scale. For Heidegger 'being' is existence as an activity, whilst beings are actual entities, whether that be us or a table. The book discussion obsesses over what is really meant by the verb 'to be' and in essence there isn't an emphatic answer given in the book – it leaves the reader to ruminate on the question. The text develops 'being' as a process of becoming with time as the potential horizon so Heidegger suggests that existence is a projection into the future using the energy of desires, anticipations and aspirations.

The other captivating element of the Heidegger work when related to my DBA study is his view on authenticity. Although relatively well travelled Heidegger spent most of his life in the Black Forest where he asserted because of personal space, people could lead authentic lives and be themselves and indeed find themselves. He suggested that large cities and communities can stifle authenticity since people feel obligated to conform with mass behaviour. In his words 'I' is not 'One' and he predicted the mass consumerism leading to inauthentic lives. The parallel with large organisations struck me, especially the one I work in – one of the world's largest companies. How much of ourselves do we lose in the need to conform?

It would be remiss of me not to mention Heidegger's dalliance with Nazism which is well documented and indeed for some brings into question the integrity of his work. For such a profound thinker, this loss of integrity is a concern since the horrors of the regime he so openly supported cannot be ignored. That in itself offers pause for reflection in the respect of the author and work being inextricably linked. This is important to remember as the author of any piece of work. His contribution to 20th century philosophy to me seems immense and I am thankful for the direction I received to read such work.

The work of Heidegger has left a lasting impression on me and even though I am researching a facility closure as objectively as I can, I am part of that community and am also impacted. I try to talk as little about that as possible in my work environment about my future since I wish to mentor others in their futures first before myself. Obviously, I have thought about alternative futures and the DBA is part of that exploratory process along with alternative roles within GE. The work of Heidegger

has encouraged me to reflect on what 'I' would consider an authentic future to be rather than what 'they' would like me to do, whether that be GE or my family and friends. What this is yet, I do not know, but I do believe reading such material can be both exploratory and revelatory on personal level.

7.12 So What Does This Mean?

'What we become depends on what we read after all of the professors have finished with us. The greatest university of all is a collection of books'. [Thomas Carlyle](#)

It has thus far been an amazing journey and the research has yielded profound insight whilst giving voices to those impacted by the closing of facility. The skills and knowledge gained thus far will provide a great platform from which to understand the experiences of employees and managers in a plant closures, perceptions of management's actions, the CAP process within GE and also contribute more widely to emerging research in the area of plant closing.

It is my hope that through the knowledge I create or enhance to improve and maybe enrich the experience of communities undergoing closure experiences. However serious a subject, I must not forget the reasons as to why I want to seek this truth and knowledge in the first place. As mentioned previously the anchor of this work is to create meaning in the event and broaden one's mind as to possibilities for the future.

Of course this concluding narrative is a very personal piece of work, a patchwork of thoughts, suggestions, claims and some limited representation of the theory of learning and reflection. As suggested at the outset, I'm certain Socrates would have regarded this as the most important part of the doctoral experience but they are of course, all important in their own right and there certainly is a 'red thread' from each module into the fabric of this piece of work.

Just like learning the reflection must continue – not to the end of the DBA – but to the end of one’s life. For the purposes of this assignment which focuses on the DBA then the question of how much I will change can maybe be related the story given by Plutarch which was recounted on a recent family holiday to Crete. It was explained that the Athenians preserved the ship that Theseus (who slayed the Minotaur in the myth) used to return from Crete. As the years wore on and parts of the ship decayed and deteriorated there came a point where there actually more new material than original. Was the ship still the original? Obviously dependent on your perspective the answer might be different. However, to draw parallels, I may well be a different Steve McCairns at the end of this Doctorate and certainly an individual who has honed both his critical thinking and research skills to modest level.

During the one particularly challenging episode of write up for the DBA, I purposely took a break and decided to read something fictional to help in that respect. I wanted to read for entertainment rather than research. I read, following a recommendation, *Cather in the Rye*, in that the author discovered a quite profound reflection.

A respected teacher Mr Antolini, offers Holden Caulfield a troubled adolescent some advice after quite a series of worrying events that he is trying to make sense of. The advice is as follows; “Many men have been troubled morally and spiritually as you are right now. Happily, some of them kept records of their troubles. You’ll learn from them – if you want to. Just as someday, if you have something to offer, someone will learn something from you. It’s a beautiful reciprocal arrangement. And it isn’t education. It’s history. It’s poetry. “ This thesis, it feels, is a beautiful reciprocal arrangement. I’ve learnt from the literature of others. I’ve learnt from the university staff, particularly my Research Supervisors. I feel the study I’ve undertaken has something to offer and that others can learn from it. The company I’ve left, those businesses and leaders facing a similar closure and researchers willing to build upon this work.

In a way, this research has been cathartic as at a personal level as I have come to terms with the plant closing myself. This has been important, since making sense of the closure personally and offering a lasting contribution was an objective I set out at the beginning of the doctoral program. This hasn’t been easy in an academic, spiritual or life balance perspective. However, those things worthwhile, are seldom easy and very rarely without sacrifice. There is some personal suffering in such restructuring episodes as closures when one focuses at the individual level. The researcher has felt some of that angst, there is no doubt. One more quotation from Dan Millman (2006) helps illustrate this for me: ‘Teachers open the door but you must walk through it yourself’. This is an on-going voyage of self-discovery, where I have discovered a researcher within myself and excited a great deal of curiosity about my subject area. This is my journey, the reflection is my work, the meaning and sense making is very much an individual exploration of which I need to continue. With this momentum, I have created a unique research contribution, hopefully something I can be proud of and eternally associated with.

Appendix 2: Jack Welch and General Electric

Jack Welch, a darling for Wall Street who loved this no-nonsense approach he is still considered one of the seminal business leaders of the 20th century (Lane 2008). Within five years of his appointment he had a reduced GE's total workforce from 411,000 to 299,000 and in just under 20yrs the revenues had increased from \$26.8 bn to \$130 BN. Although clearly a driven business leader he was also astute enough to realise that the cultural change has so desired would require support. Although it is not clear from this work whether this was a proactive move or whether in fact one would consider this a reactive move. The story as told by Garvin (2000) has some elements of sycophancy associated with it and it is interesting that even though the 'organizational revolution' commenced on Welch's succession to the CEO position in 1981, CAP was launched in 1992.

In typical Welch style, however, when the programme was launched he insisted that all senior leaders without exception complete the program and within the first year ~1000 leaders has undertaken Change Acceleration Process (CAP) training. Importantly, the only problems worked on at the Crotonville sessions were ones approved as both strategic and worthy of the investment of time away from the workplace. The criteria for change selection demand a cultural and organizational dilemma, draw resources beyond the footprint of the CAP workshop and provide GE with a significant payoff. Key to CAP success is executive sponsorship (it is the executive who approves the 'change' to which the team will apply the principles of CAP and sets goals, expectations and reviews progress reports) and the team format since the collective affected by the change will work together as a functional group.

Steve Kerr (Head of Crotonville) states: The golden rule of organizational development is, 'never send a changed person back to an unchanged environment'. Yes 99% of training breaks that rule. People go off to Harvard or Stanford or Michigan or Crotonville in one's and twos and they're not united in any way. Even if they get excited, they come back to a full desk and a boss who doesn't understand their passion. Most of the time, no learning occurs, since we define learning as a change in behaviour. But when people come in teams with a 'need to do' project it is much more successful.

In the early 1990's, Welch's directive was as Garvin (2000) reports to use GE's famed education and training centre, Crotonville to develop an experiential learning program which was launched and is still know as CAP. His mandate to Crotonville was to instil his new values, open up dialogue and stimulate the cultural change he firmly believed was essential to the company's prosperous future.

Welch felt that the organization required at set of concepts, tools and techniques for making rapid adjustments and adaptations Garvin (2000) reports. Welch felt that

surprises were inevitable and that it would be impossible to anticipate events. However, a 'generalised coping mechanism' he felt, would enable more effective management of change. The consultants charged with the task of creating the model in conjunction with Crotonville studied the work of Lewin, Schien and Beckhard. Garvin explains that the group charged with the task were initially embarrassed by their output since they figured that the work did not depart dramatically from the work of Lewin back in the 1940's! However Welch's response in an interesting one –

'The trouble with you academics is you value creativity. If you've done something once, you don't like to do the same thing again. We don't have that hang up. I have only two questions for you: is what you've found true? We said yeah. And are my people doing it now?' We said not consistently. So he said: 'Stop apologising and start teaching' (Senge et al 1999, Garvin 2000).

Appendix 3: Invite to Interview Letter Template



Business Education & Professional Studies Faculty
The Park,
Cheltenham.
GL50 2RH

18 July 2013

Dear Sarah

CHANGE MANAGEMENT AND LEADERSHIP DURING A FACILITY CLOSURE

I am currently researching the above, in order to determine and share effective practices on this topical and important issue. I am attached to the Change Management Research Centre within the University of Gloucestershire.

You have experience that would be of value to me and I would very much like to know your views on your experience of a facility closure with possible views of the use of a change management strategy.

I will conduct interviews during July and August and envisage that these will take no longer than one hour. Due to a short-term injury restricting my ability to write, I would like to use a voice recorder during the interviews, if participants are agreeable.

I am aware of the need to treat my findings with the utmost confidentiality. No source, individual or organisation, will be identified or comment attributed without the express permission of the originator.

The intended output of this research will be a thesis submitted at the University of Gloucestershire during 2014. I intend to fulfil the role of insider researcher during the interview, but fully accept my role as Site Director cannot be ignored, so any commitment is entirely voluntary and I would expect you to be as open and honest as you can be, given the circumstances. If you feel uncomfortable, due to role conflict, and unable to participate, I entirely understand your position.

However, I do hope you are able to help me and would be grateful if you would return the attached pro forma. I will contact you on receipt to confirm arrangements and send you an outline of the interview structure, if you are able to participate.

If you require any further information, please do not hesitate to get in touch.

Yours sincerely

Steve McCairns



Business Education & Professional Studies Faculty
The Park,
Cheltenham.
GL50 2RH

Informed Consent Form for UofG doctoral degree thesis research

Please complete this form after you have read the Information Sheet and/or listened to an explanation about the research.

Project Title: Lessons learned from the study of a manufacturing plant closure concerning leadership and the management of change

Researcher: Stephen Peter McCairns

Thank you for your interest in taking part in this research. Before you agree to take part, the person organising the research must explain the project to you.

If you have any questions arising from the Information Sheet or explanation already given to you, please ask the researcher before you to decide whether to join in. You will be given a copy of this Consent Form to keep and refer to at any time.

Participant's Statement

I agree that:

- I have read the notes written above and the Information Sheet, and understand what the study involves.
- I understand that if I decide at any time that I no longer wish to take part in this project, I can notify the researchers involved and withdraw immediately.
- I consent to the processing of my personal information for the purposes of this research study.

- I understand that such information will be treated as strictly confidential and handled in accordance with the provisions of the Data Protection Act 1998.
- I agree that the research project named above has been explained to me to my satisfaction and I agree to take part in this study.

Signature:

Date:

Information Sheet & Researchers notes to include as appropriate (removed for signed consent form):

Purpose of the research: To understand the experiences change and leadership during a site closure.

With broad research aims in mind the researcher has expanded the closure inquiry it into the following questions:

- RQ1: How is change experienced by employees and managers during a facility closure?
- RQ2: How applicable are change management models to facility closure scenarios?
- RQ3: How does leadership approach impact the management of a facility closure?

What you will do in this research: If you decide to volunteer, you will be asked to participate in one interview. You will be asked several questions using a semi structured format. Some of them will be about you. Others will be about your team, site and organisation. With your permission, I will tape record the interviews so I don't have to make so many notes. You will not be asked to state your name on the recording.

Time required: The interview will take approximately one hour.

Risks: Some of the questions may cause discomfort or evoke emotions, this is entirely natural but if this feels too uncomfortable a pause can be requested. Withdrawal from the process is possible at any stage.

Benefits: This is a chance for you to tell your story about your experiences concerning the site closure and influence future events positively.

Confidentiality: Your responses to interview questions will be kept confidential. At no time will your actual identity be revealed. You will be assigned a pseudonym. Anyone who helps me transcribe responses will only know you by this code. The recording will be destroyed [as soon as it has been when my final thesis has been accepted. The transcript, without your name, will be kept until the research is complete.

I won't use your name or information that would identify you in any publications or presentations.

Participation and withdrawal: Your participation in this study is completely voluntary, and you may refuse to participate or withdraw from the study without penalty or loss of benefits to which you may otherwise be entitled. You will receive payment based on the proportion of the study you completed. You may withdraw by informing the experimenter that you no

longer wish to participate (no questions will be asked). You may skip any question during the interview, but continue to participate in the rest of the study.

Appendix 5 Coding Template:

Personal Experiences of Change:

- Employee Experience during the Gloucester closure
- Manager Experience during the Gloucester closure
- Dealing with Personal Endings
- Dealing with New Beginnings
- Handling redundancy execution as a manager
- The Shared Need for the Employment Community
- The Transition – What Happens and When in the ‘Neutral Zone’

Applicability of Change Management

- Bridges – characterisation of loss
- Kübler-Ross – emotional change journey
- Kotter – effective change management stratification
- Changes to Organisation Processes – ‘Making it Stick’
- Monitoring the Progress toward Closure
- Experience of the GE Change Acceleration Process

Leadership Approach During a Facility Closure:

- Employee Perception of Management Actions
- Leadership style during a Facility Closure
- Trust of management
- The Communicated Vision for the Closure Process
- Resource Alignment and Employee Commitment
- Hasanen – reasoning behind productivity paradox

Additional Insights

- Differences in employee approach based on long term plans
- Manager desire for last act with dimensions of pride and integrity

- Employees regarding managers as ‘in the same boat’
- Strength of company culture in driving approach
- Disaffection and distancing of senior management
- Potential of change readiness assessme

Stage 2: Construction of common responses by topic area and manual coding

- Personal Experiences of Change:
- Applicability of Change Management
- Leadership Approach During a Facility Closure:

Build out of additional insights:

- Differences in employee approach based on long term plans
- Manager desire for last act with dimensions of pride and integrity
- Employees regarding managers as ‘in the same boat’
- Strength of company culture in driving approach
- Disaffection and distancing of senior management
- Potential of change readiness assessment

Stage 3: Refine findings and contrast with literature to locate potential contributions and insights.

In this stage the themes have been clearly named in an informative and concise manner allowing for consolidation and justification of the meaningful on the basis of the research questions and previous theoretical frameworks. The tests of substance and coherence of data for each theme area were applied accordingly (Braun and Clarke 2012).

RQ1 Personal Experiences of Change:

- Initial shock
- Diversity of Intentions of staff following exit
- Value of notice period
- Personal decision and prevarication
- Navigating the change personally

- Recognition of employee support
- Manager experiences - the concept of same boat leadership
- Hasanen theoretical propositions of loosening of managerial control, sense of injustice and vain hope – contradictions.

RQ2 Applicability of Change Management Models

- Impacts of GE company culture
- The common threads of psychological Transition
- Change management model applied
- Emergence and relevance of Kubler:Ross for closure

RQ3 Impact of Leadership Approach

- Management actions & productivity outcomes
- The importance of trust in closure scenarios
- Perceptions of a socially responsible closure
- Leadership Approach
- Concept of servant leadership in the closure
- Executive visibility & presence during site closure

Additional insights generated from patterns of response:

The productivity paradox occurs with management engagement

Leadership approach is important to be termed socially responsible closures

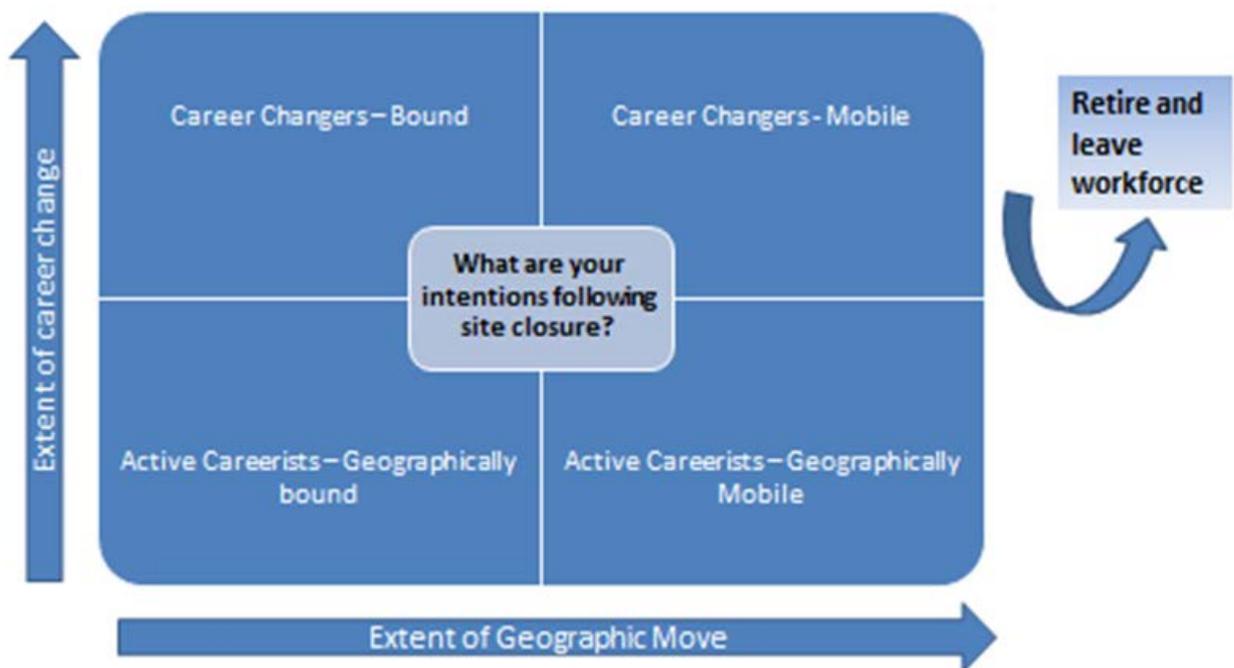
Kubler:Ross can capture emotional responses in closedown

- Diversity of intentions on exit offers by segmentation opportunities

Contingent Approach - *Letting the Closure Emerge*



Segmenting the Employees of Closing Plant



Closure Change Readiness

Internal Considerations

- Credible plan, particularly around the reason justifying closure and an understanding of the broad steps required to achieve transfer and closure
- Clear understanding of all stakeholders impacted – site, community, unions, other sites in the network
- Previous company history with plant closures – internal routines, checklists or procedures
- Management experience and competence in change management
- Management stability – how long have leaders been in positions and is role interdependency high?
- Plant condition and investment profile, is equipment fit for purpose or are there areas of concern that would give rise to employee concern?
- Existing relationship between senior management, site management and employee groups particularly with regard to trust and integrity. Employee experiences of redundancy and plant closure – capability, motivation and maturity around such initiatives.
- History of change implementation and classical site responses
- Human resource systems that are in place – are these conducive to change and supportive of transitions
- Current communications mechanism appropriate for intentions?

External Considerations

- Regulatory events – government regulators, MHRB etc
- Corporate context – downsizing, growth, alternative strategies regarding acquisition of technologies, or internal development prevalent
- Product portfolio performance in the marketplace
- Local economic strategy – enterprise areas etc
- Macroeconomics, local geography employment, industry employment trends
- Recipient site (site receiving the technology) dynamics considered particularly the relationship with the donor site

Case Closed: *Managing & Understanding a Facility Closure*

