SPEA Honors Thesis

Change Management

A Review of Practical Application at the Monon Community Center

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Abstract

In the world we live today there is one constant that people can rely on, the understanding that things are always going to change. Public agencies and business alike have understood this for years. The difference now is that the rate of change has increased rapidly, with no slowdown in sight. With all of the changes around us there is a need to properly manage it. The concentration of this research is to present a review of the core elements of change management processes and incorporate that understanding into an examination of how the Monon Community Center (A Division of Carmel Clay Parks & Recreation) conducted their organizational change in 2010. Within this review we are looking to answer the question of how turnover rates in organizations correlate to the acceptance of the change. In particular, looking at how turnover rates of the staff resulted in the acceptance of a new emphasis towards customer service at the Monon Community Center. From a review of the literature, a set of common core steps to a successful change process are presented. Taking that understanding into consideration, we examine what took place at the Monon Community Center. This review was conducted using qualitative methods of evaluation that came predominantly in the form of in person interviews with key stakeholders of the Monon Community Center. The objective of this review is to see how the change at the Monon Community Center followed the conventional processed presented in the literature as well as answer our question about what impact staff turnover had on the acceptance of this particular change.
Acknowledgement

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Contents
Abstract ..................................................................................................................................... 1
Acknowledgement ................................................................. 2
Introduction ............................................................................. 4
Change in General: ............................................................... 5
Common Elements .................................................................. 6
Eight Key Elements .................................................................. 7
Case Study ............................................................................. 8
Background of Monon Community Center .................................. 9
The Facility ............................................................................. 9
Programs ............................................................................... 10
Operations ............................................................................... 10
Finances ............................................................................... 11
Key Players ............................................................................ 12
The Challenge .......................................................................... 12
Underlying causes ................................................................... 14
The Change ............................................................................ 16
The Execution ........................................................................ 17
The Planning .......................................................................... 17
Implementation ....................................................................... 20
Transition ............................................................................. 22
Results .................................................................................. 24
Conclusion ............................................................................ 25
Appendix ............................................................................... 27
Bibliography .......................................................................... 34
Introduction
Throughout the course of time great leaders have understood that the world around them is in a state of constant change and innovation. The best leaders have understood that we must be an active part of the ever changing environmental landscape in which we operate in order to lead into the future. In so doing, they position themselves and their constituents to benefit from the new opportunities presented to them. This understanding has ultimately led to the development of the field of change management. There are several different methods for describing what change management is. While there is no common definition, most incorporate a few common themes. From those, I have derived what I believe sums up what others define as change management, which is the process of transforming an organization from one operating paradigm to another, using processes and tools as a response to a change(s) in the environmental landscape. For the purpose of this paper we will focus on the use and intricacies of change management in the public sector.

Within my focus of exploring and understanding the complexities of change management I am looking to answer the question of how turnover affects this process. To be more detailed, I wish to answer the question of whether or not a high degree of turnover among employees is the reason why a change is accepted in an organization. I believe by gaining a better understanding of how turnover among employees affects a change, organizations can better prepare for the ramifications of these actions. As an example, if a change in an organization results in a high level of turnover, you can more readily prepare your HR department for the task of replacing these positions. On the other hand, if an organization does not wish to see these levels of turnover then they can actively work with employees, through training and other methods, to keep those employees through the change. This is just one example of the many possible uses of this information. I will attempt to answer this question, about turnover and acceptance of a change, by looking at the Monon Community Center. I have conducted a case study on the changes that took place at the Monon Community Center in 2010. More detail about this case study will be presented shortly.

Before we fully dive in to all the intricacies associated with answering the question of how turnover interacts with the acceptance of change, we must first gain an understanding of the guiding principles of change management. This will manifest itself into an examination of the core elements of change management. This examination will help shed some light on change in general that can then be applied to our case study on the Monon Community Center. In order to help bring order to the vast amount of information that is available on the subject of change management, I have identified eight core elements that transcend the literature. These elements are as follows: Ensure the Need, Create a Visionary, Continuously Strong Communication, Involving Others, Remove Obstacles, Provide Resources, Adapt, and Anchor in Changes. Through these eight core elements we will explore the key principles to achieve successful change in an organization.

Following our review of the eight core elements of change management we will be equipped to look at a practical application, in the form of a case study on the Monon Community Center (MCC). The MCC is a large multipurpose recreation facility located in Carmel, IN. The MCC is a division of Carmel Clay Parks & Recreation. More information on the facility and the parks department itself will be presented later. The
case study of the MCC will focus on the restructuring of the reporting structures that took place in the fall of 2010. In our analysis we will identify the core problem that led to this change, the planning leading up to it, the actions taken during and after the change, and the results of the change. While looking at those areas we will also look for any correlation between the way the change at the MCC was handled and the eight core elements that were discussed previously. Throughout the case we will pay special attention to possible factors for the changes acceptance, especially those dealing with turnover. Once we have looked at all the data available we will then look at answering the main question of how turnover rates among employees affected the acceptance of the change. From that information we will draw our conclusions. The ultimate goal is to gain a better understanding of how to manage change in the most efficient and painless way possible, so as to allow organizations to thrive in their ever changing environment.

**Change in General:**
To help make since of the common elements that will be discussed below we should first establish a general idea of what a change process might look like. Typically the whole process starts when there is recognition of a problem facing an organization. This recognition could come in the form of a large problem that has been apparent for some time. For example, the problems the Department of Defense faced with its procurement system had been recognized for quite some time before substantial change was made in the 1990’s. It may also come in the form of a mandate from an executive. This happened at NASA in the late 80’s and early 90’s when Presidents Bush and Clinton mandated that changes be made to align NASA’s projects with the new budget realities. The problem may manifest itself in the form of a new competitive environment. That was the case for the Veterans Health Administration in the mid 1990’s, where the agency had fallen out of sync with the trends in the healthcare industry. Identifying the problem can come from a single person or a group of people looking at the problems facing the organizations. Once a problem has been identified, it is then time to figure what to do about it. This can take a considerable amount of time and involve a large number of people. Typically this stage will involve several leaders. Although much less common it is possible, in smaller organizations, for one person to take on this role. To account for this, these people or person will be referred to as “leader(s)” in the following sections. Once a response to a problem is constructed it is up to the leader(s) to implement the solution. This duty will fall on the shoulders of the guiding coalition, a group that is appointed to see the change process through and ensure things work. The guiding coalition will work till the change is fully implemented and accepted by the organization. At that time the organization has been altered, moved from one operating paradigm to another.

An integral part of understanding any change process requires the simple understanding of one fact; most people naturally react negatively to change. We as humans are creatures of habit; we have our set patterns on how we like to do things. This pattern is usually tied to the idea that the way things are done currently are the most efficient and logical while requiring the least amount of independent or unique thought to perform. As management consultant writer Alvin Toffler stated in 1970, “The most disturbing thing is that most people, including the educated and refined ones, consider the idea of change so threatening that they try to deny its existence”.( Cutcher, Leanne) There are many possible
reasons for resistance to change. Researcher Manfred Kets De Vries describes one reason why, “For
many people in an organization, change implies a loss of security that goes with a specific job; they fear
the unknown.” (Kets De Vries, Manfred) This loss of security can come in many forms, the most feared
and apparent concern is the loss of their employment. There is also the fear of loosening power or
respect from their peers within the organization. Along with the fear of losing power, there is the
apprehension associated with the notion that a change will require them to learn new skills. This
apprehension can come from many different areas such as not wanting to put in the effort to learn the
new skill or fear that they may not be able to pick up this new skill. From a managerial perspective, a
change to the organization could put their department or curtain projects that have been heavily
invested in at risk. That is something that certainly insight fear and resistance to changes. Another area
that managers in particular are uneasy about when it comes to change is the implied notion that they
have failed. This is another thing that Kets addresses, “People may interpret change as an indictment of
pervious actions taken; they may see a proposed change as an attack on their previous performance and
react defensively. ” (Kets De Vries, Manfred) This kind of reaction makes the employee defensive and
that defensiveness can easily turn to resistance to the change. The key takeaway from this is that when
an organization is going through change those leading must understand that change will almost certainly
elicit a certain level of resistance. As David Nadler, author and senior partner at Delta Consulting states,
“People fundamentally don’t like change. None of us like change.” (Nadler, David) It is up to those
leading the change to handle and effectively ease this natural resistance to change. The following eight
core elements represent the common points advocated for by those writing about managing change.
These fundamentals go a long way in resolving the natural resistance to change as well as many other
issues.

**Common Elements**

Before getting started on the core elements of change management, I would like to clarify a few things.
First, there are numerous different processes, theories, styles, and studies that exist on the topic of
change management. For example, there are the Transition Model, ADKAR model, Rational Adaptive
Theory, Institutional Theory, Life cycle Theories, Evolution Theories, Policy Diffusion, and Conflict Theory
just to name a few. It would not be practical, or interesting for that matter, to explain all of these
differing and sometimes conflicting approaches to change management. Instead what we are going to
do is very briefly look at the common elements that transcend these methods. We will then take a more
in-depth view of these elements in the MCC case. The common elements that I have compiled are
similar to and based off of the elements that Sergio Fernandez and Hal Rainey, of Indiana University and
The University of Georgia respectively, identified in their work “Managing Successful Organizational
Change in the Public Sector: An agenda for Research and Practice.” The eight steps that they identify are
loosely based off of the works of other researches in the field; one that they mention is Harvard’s John
Kotter who also identifies 8 key elements.

I would also like to draw attention to the fact that this review will be focused on the principles of change
management in the public sector. That being said, it should be noted that there is a considerable
amount of overlap between the theories and practices of change management in the public sector and
the private sector. As such, my research has taken me into literature that focuses on both areas. As a result, parts of literature focused on both the private and public sectors will appear in the following descriptions as they overlap and shed light on the topic. Even with this overlap, the main focus will be on the use of these processes in the public sector.

Lastly, it should be noted that when it comes to the processes and core elements, that will be discussed, they are not grouped in a linear fashion. As Fernandez and Rainey explain, “While some experts portray the change process as a linear progression through successive stages, the process rarely unfolds in such a simple linear fashion.” (Fernandez, Sergio) In much the same manner the key elements that I present here are not required to be completed one after another. That being said, some of these will obviously be completed at the beginning of the change while other will be relegated more towards the end. The key is to understand that there is a large amount of overlap in these elements, for example you will soon see how communication should be present throughout the entire change process. In conjunction with the notion that these elements are not linear, it is also not required that all these elements be present during a change process. It is possible for an organization to successfully implement change without having used all the core elements. That being said, it is usually a good idea to try and incorporate as many of these as possible when guiding an organization through a change.

**Eight Key Elements**

**Ensure the need:** As people are naturally resistant to change, it is important that the need for change is fully warranted. There must be a large issue that is not easily dealt with in normal operations to incur large scale change. This need is established by looking at the underlying cause of a problem and then developing a remedy. This change should do two things, first it must address the core problems and secondly these changes must be attainable. Only then should large scale change be pursued.

**Create a Vision:** A vision is the description of the way the organization will operate in the future. It is a way change leader(s) can bring order and understanding to proposed changes through articulating clearly and easily what the organization must achieve. A vision incorporates a few common elements. It clearly states that the change is needed, the organization has the capacity to make the changes, it is in the best interest of the organization to change, and what the change is.

**Continuously Strong Communication:** While strong communication is at the foundation of any good organization, when it comes to making changes, communication is of paramount importance. It is so important that increased levels of communication should be present throughout the entire change process. Its importance can be represented by three things. Reduces natural hesitation, helps create buy in, and it helps bring to light untapped opportunities that the change has created.

**Involve Those with Power:** Involving those with power is rather simple notion but it is very important to the success of a change. No matter how powerful the Director or CEO is, they cannot force change upon an organization, they need help getting it done. The best people to recruit are those that hold power positions both in title and in the informal social work environment. It is also important to get people from all levels of the organization that have differing perspective on the operations.
Remove Obstacles: It is very important to a change effort to identify potential obstacles, both internal and external. Some of the internal things to consider are reporting structure, strategy, policies, people, budget allocations, and culture. Some of the external factors are public opinion, interest groups, laws, and funding. When change comes it is important to prepare for resistance ahead of time and have a plan for how to deal with obstacles.

Provide Resources: One of the unavoidable aspects of implementing change is the fact that resources will have to be reallocated to ensure that things work. The biggest resource is time, ironically often the most overlooked. Other resources that may be needed are funding, consultants, training, metrics, and new personnel. Without adequate resources a change is doomed to fail from the start.

Adapt: No matter how well thought out and executed a plan is, things never go exactly as planned. As a result, it becomes important to be able to adapt to changes. As you are implementing a change you must be open to changing your plan along the way. As some changes take an extended period of time to implement, the operating environment will not stay static and the plan must adapt to new information. While change is inherently perceived as negative, in some cases adapting will be a result of new found opportunities.

Anchor in Changes: Once a change is implemented the work is not done. It is very common for people to make a change then slowly over time revert back to their old habits. This is one of the biggest challenges to a change. To combat this there are several things to do like continuing to communicate the change and monitor it as well as rewarding those that make the change. Another helpful tool is to break the change up into smaller attainable parts and then celebrate when milestones are reached. Making the change stick is just as important as making the change.

Case Study
In the fall of 2010 there were changes brewing at the Monon Community Center, a large multipurpose recreation facility located in the heart of Carmel, IN. The changes that occurred in the fall and winter of that year will be the focus of this case study. In my quest, in 2013/14, to learn as much as I could about these changes I took a predominantly qualitative approach to assessing the changes. My main method of gathering information was to conduct in person interviews with members of the MCC who were present during the changes that occurred. Those people were Holly Perlin-Grubb, Susan Beaurain, Kurtis Baumgartner, and Michael Klitzing. Thanks to their cooperation and insights I was able to piece together what exactly occurred in the fall of 2010. Along with the information that I gleaned during my interviews, I was also able to obtain several supporting documents as well. These documents ranged from proposals and budgets to the business plan for the facility. From the combination of in person interviews and documentation about the change, I have been able to piece together a solid picture of not only what occurred but how it happened and why these actions were taken. All of that information has been complied below and integrated into the analysis of how this change coincides and deviates from the core elements discussed above.
I believe that it is important to establish what exactly my connection is with the facility and Carmel Clay Parks & Recreation. Over the past four year I have worked and held four different positions with CCP&R. For two years I worked as one of the 100+ lifeguards on staff during the summers. For one year I worked as a ‘Lead’ in the aquatics sub-division, this position was essentially a point of reference and support for all of the guards working at a particular time. The following summer I held two positions. I was a supervisor in the aquatics sub-division. This position had come to replace Leads and in general granted those in it more authority and empowered them to do more things than the Leads. I also interned with Susan Beaurain who was the division manager of the MCC. From all of these positions I have gained a very unique perspective on how the MCC operates and the underlying intricacies and neuroses that only come from working in an organization. I believe that my experience with the facility mixed with the qualitative methods of research conducted have allowed me to put together a clear picture of the changes that occurred at the MCC.

Background of Monon Community Center

Before diving into all of the intricacies of the change we need to know more about the Monon Community Center. The MCC is a large multipurpose public recreational facility located in Carmel, Indiana. The MCC is operated by Carmel Clay Parks & Recreation, a joint government entity created by the city of Carmel and Clay Township in 1991. Responsibility for the operation of the parks department was in trusted to the parks board which is made up of 9 total members. Per the parks website, “Board members are appointed based on their interest and knowledge of parks and recreation. The Mayor of the City of Carmel and the Clay Township Trustee each appoint four members to staggered four-year terms. The Carmel Clay School Board self-appoints one of its members to a one-year term on the Park Board.” (Carmel Clay Parks & Recreation) They work closely with the parks Director, Mark Westermeier, to oversee the operations of the parks system.

The parks department operates approximately 500 acres of park land that includes several recreation facilities. Through the joint partnership between the city of Carmel and Clay Township, CCPR was able to secure the 55 million in funding for the construction of Central Park which would include 24.5 million for the MCC. This would act as the flagship park for the rest of the parks system. The facility officially opened its doors in May 2007.

The Facility

This is not your average recreation facility. The MCC is impressive structure, covering 146,000 square feet and centered in the middle of Central Park in Carmel, IN. It was designed to be both environmentally friendly and aesthetically pleasing. The facility is comprised of two buildings the West building and the East building connected by a walkway over the Monon Trail, a former rail line that was converted to a recreation trail.

On the first floor of the West building there is a spacious lobby and reception desk as well as three full size basketball courts, a daycare center known as “KidZone”, a concessions area, locker rooms, and two indoor pools. One pool is a 25 yard lap pool and the other is an activity pool that features two slides, play features, and a vortex. The upstairs portion of the West building offers another reception desk, a
large fitness center that incorporates all the traditional work out equipment (i.e. Bikes, ellipticals, free weights, and weight machines), a 1/8th mile running track, spinning rooms, locker rooms, and a dance studio.

The first floor of the East building contains a reception desk along with banquet and meeting rooms that can be partitioned to different sizes; they also offer access to a large patio. There is also an art studio and a fully equipped kitchen available for use. The upstairs of the East building contains staff offices for both the MCC staff as well as other CCP&R staff. What really sets this facility apart from others is that it also boasts a water park and skate park to go along with the two buildings. The Waterpark is made up of several pools a lap pool, activity pool with play features, fenced in Kids pool, a lazy river, diving board, three slides, concessions, and more recently a Flowrider®. Due to the nature of weather in Indiana, the Waterpark is open only in the summer months.

**Programs**

To maximize all of the space available, at this facility, CCP&R offers a wide variety of programing to its members at the MCC. The program areas include all of the following as provided by the Escape Guide published by CCP&R:

- Parent/Child (under 2)
- Preschool/Toddler (3-5)
- Youth (6-12)
- Extended School Enrichment (ESE)
- Tween/Teen (13-17)
- Adaptive (All)
- Adult (18+)
- Wellness (15+)
- Aquatics (All)

Aside from hosing a good number of these programs, the MCC acts as the main location to register for and get answers to questions about the programs, aside from the online option.

**Operations**

With a large assortment of offerings to the public it takes a good amount of work to keep operations running smoothly. This task is accomplished through the efforts of 17 full time employees and approximately 20-30 part time employees. The number of part time employees swells to around 150 in the summer months when the water park is open. To keep the facility up and running it take a sizable budget, for example the 11’ operating budget was approximately 4.5 million.

If we look at the organizational chart below we can see what the reporting structure looked like before any changes were made. As we can see, this is organized into a functional structure in which each functional area (Aquatics, Recreation, Guest Services, Facilities, and Food Services) has their own hierarchy in which they report and then the managers’ of the functional areas reports to the Division Manager. The full time staff is made up of all the people who hold the title of manager as well as the programmers, the rest of the MCC staff was comprised of part-time employees. A position that is not represented on the chart is the ‘Guest Connect’ role. The reason for this is because the people who filled this role were the full time programmers. Their role, as described by documentation provided by Susan was, “Guest Connection is simply a back-up if the Shift Lead would need to verify a process or a guest is
still not satisfied after the Shift Lead has addressed a situation.” Essentially this position was designed to ensure that there was always a full time staff member on duty while the facility is open to the public.

**Finances**

Another unique aspect of this facility is that the parks board mandated that the MCC division of CCP&R be run as an enterprise fund from the very first year. This means that every dollar spent in operation of the MCC must be made back by in the form of revenues by the end of the accounting period. The desire was for the facility to be self-sufficient and not require tax payer money to subsidize its operations. Failure to do so would require a subsidy from Clay Township and approval by the governing bodies of both the city of Carmel and Clay Township.

This mandate created an interesting situation for CCP&R when it first opened the MCC. In general most parks facilities are not capable of doing such a thing, “The average community center recovers 60 percent of its costs annually, according to Pros Consoling.” (Kane, Kevin) As is common in most organizations, when first starting up, it takes some time to reach full operating potential which means that full revenue potential will not be immediate either. The MCC was no different; by the end of 2009 the center was only able to recover 77% of its cost. (IndyStar) Michael Klitzing addressed this point
with me when we were talking about the initial financial struggles of the facility. He stated, “The notion to run this facility at 100% cost recovery right away was never going to happen.” While none of the members of the organization I interviewed said that this fact played a part in the changes that came in 10’, it did present an interesting backdrop to what was occurring internally.

**Key Players**

Now that we have a solid understanding of what the MCC is and how it is operated, let’s meet the key player in this case study. It may help some to refer to the organizational chart above to help place where in the organization these people fell.

- Mark Westermeier – Director of Carmel Clay Parks & Recreation
- Michel Klitzing – Assistant Director of Carmel Clay Parks & Recreation
- Susan Beurain – Division Manager of the Monon Community Center
- Kurtis Bambgarder – Recreation Manager of the Monon Community Center
- Audrey Hughey – Guest Service Manager
- Tammy Powell – Guest Services Supervisor

These names will come up throughout this case study and each of them played unique and important roles in the events that transpired during the change effort undertaken in the fall of 2010.

**The Challenge**

The core problem that the Monon Community Center was facing in the summer of 2010 was the same one that had been troubling the facility since it first opened in 2007. The customer service being provided was not up to the standards of the senior department leaders, the parks board, and more importantly the expectations of the community that it served. It goes without saying that providing poor customer service is not something a service organization wants to be associated with. When thinking of the customer service problems that the MCC was experiencing, you should consider it a symptom of underlying problems in the organization. That being said, the changes made were with the intention of providing better value to the consumers through customer service.

The customer service issue was brought to light through a few different channels. First there were numerous complaints from patrons of the facility. There was particularly frustration when it came to trying to figure out information about programs offered. This frustration was heard as well as experienced by some of the local politicians who just so happened to be members of the MCC. Both Susan and Michael mentioned that these politicians had begun to voice their concerns and discontent with the level of service being offered. As a short side note, this is an example of an external pressure that organizations, especially public ones, will experience. This pressure can, in some cases, be very dramatic and powerful and result in serious actions. External stakeholders, such as politicians or interest groups can play a very big role when it comes to developing and implementing change in an organization. In this particular case, about the MCC, politicians’ speaking up and complaints from guest were the only external forces that really make an appearance. Outside of the complaints from the patrons, those within the MCC had observed several issues as well. Holly, who was a Guest Services
Attendant at the time remarked, “It would take a considerable amount of time to get information about a program.” Along with the problems Holly was dealing with Susan also noted that there were other issues as well. Below I have listed the problems that Susan noted in her initial proposal to make changes:

- Lack of engagement with customers
- Inattention to customer movement within the facility
- Lack of buy-in to Department vision and mission
- Lack of communication from manager/supervisor
- Poor phone etiquette
- Lack of enthusiasm
- Poor decision making
- Lack of simple greeting of customers
- No clear staff training plans or outcomes
- Poor hiring practices, resulting in high turnover
- Insufficient knowledge of programs and activities within CCPR and MC
- Creating an internal environment of negativity and fear
- Lack of accountability
- Little to no delegation of tasks
- Defensive and contentious communication internally and externally

While these shortcomings were obvious to the management team as well as the patrons of the facility, there were no metrics in place at the time to measure just how bad things were. The closest thing to a metric was the results of a ‘Secret Shopper’ program that was instituted after the changes were made. While the results do not show the issues at the time of the change it does speak to the overall state of service offered shortly after the changes were made. This is still useful because it takes time for changes to fully take effect, thus the results, from the transition phase, grant us insight into the types of problems being experienced prior to any changes being made. The initial results confirmed that there was in fact an issue with customer service. The results were consistently hovering in the mid 40% to 50% range. As a comparison, the more recent results are in the range of 85% to 100%, a notable change. The point is that it is quite clear from both the observations of those present at the time and the metric put in place following the change that there were serious issues that needed to be addressed. The cumulative effects of these sources ultimately lead to the decision to make serious changes within the organization. It is also worth noting, quickly, that the ‘Secret Shopper’ program that was instituted following the change is an example of providing a resource. This particular resource was focused on providing hard evidence to go along with observations by managers. The feedback from this program allowed the managers to tailor their training to better respond to the issues being experienced. Thus by providing a resource the MCC was better able to respond to the challenge it was facing which allowed it to adapt.

As cost recovery is an important part of the operations of MCC, it is important to understand how customer service plays into this. To do that we will look at what the sources of revenue are for the MCC. By examining the results for the 2011 accounting period (Jan. 11’ – Dec. 11’) we can see where the major sources of revenue are. The largest foundation of revenue by far is the ‘Monthly Passes’. Out of the approximately 4.6 million in total revenue, ‘Monthly Passes’ made up 1.96 million or 43% of total revenues for the 2011 accounting period. The second largest source of revenue comes from programming with a total of just over 1 million or 22% of total revenues. The next highest source of revenue was the daily passes offered, representing just under 640,000 or 14% of total revenues.

So what implications does this information have in regards to the change at hand? These numbers clearly demonstrate the importance of customer service to the overall financial health of the MCC.
operation. While the Waterpark is the biggest draw during the summer and represents a large amount of the daily passes purchased, the foundation of the MCC revenue is in the ‘Monthly Passes’ that are typically associated with fitness center users. To clarify this, the Waterpark draws in customers that purchase daily passes whereas the fitness center draws in the ‘Monthly Pass’ users and the monthly passes are the largest source of revenue. As Michael Klitzing explained, “The core of our business is made in through fitness passes”. From the data that we have we can clearly see that ‘Monthly Passes’ and programming represent a largest portions of income for the MCC, around 65% together. Compared to the daily passes that represent around 14% of total income. Due to this, it becomes important for the MCC to keep their current customers happy and coming back month after month (i.e. good customer service.) As Susan explained it, “The facility is impressive enough to draw people in but what keeps them coming back is the customer service.”

Recognition of a problem is a key part to the core element of Ensuring the Need. Without observing that the customer service being offered at the MCC was not up to standards required there would not have been the push from the management team to make a change. Along with recognizing the problem, it is important to understand the implications of the problem. As we saw above, customer service truly has a large impact on the long term viability of the MCC, thus there really is a need to address this issue. As Fernandez and Rainey point out, “Research indicates that the implementation of planned change generally requires that leaders verify the need for change and persuade other members of the organization and important stakeholders of the need for change.” (Fernandez, Sergio) The need to address the customer service issue was very apparent to the managers of the facility. In the case of the MCC, need for a change first identified by Mark and Michael. When Susan joined CCP&R in the early part of 2010 she agreed with Mark and Michael’s assessment of the situation.

Underlying causes

Now that we have established what the main issue at the MCC was and the implication that bad customer service can have, we should examine what the underlying causes of the poor customer service were. By addressing these causes the MCC was able to truly deal with the issues that resulted in poor customer service.

The first cause of poor customer service, brought up by all three of the managerial level employees, was the silo effect. The silo effect, as described by Even Rosen of Business Week, is exemplified by, “Each department or function interacts primarily within that "silo" rather than with other groups across the organization.” (Rosen, Evan) We can see this happening at the MCC by looking at the chart to the right. We can see each of the functional areas with boxes around them representing where information created in that function flowed. Clearly we can see with this reporting structure, there is
not a lot of interaction between people in the lower levels of the different functional areas. Each function reports to different managers. At the MCC this was ultimately what caused the lack of communication between the Guest Service (GS) Attendants and the Recreation Programmers. The programmers were the ones responsible for setting up the times, locations, instructors, and cost of all the programs offered at the MCC. They had very little direct interaction with the public that was actually signing up for and taking their classes as well as the GS department for that matter. The faces of the MCC to the public were the GS Attendants; they acted as guides to the public for anything having to do with the programming, MCC, or CCP&R. Thus the people who are responsible for organizing and overseeing a class are not the ones communicating that information to the public. What resulted were several issues with presenting the right information to the patrons. There were weak lines of communication between the programmers and the GS Attendants. As Kurtis described, “It was Guest Services vs. Recreation, it was not we are one team one fight. Information would filter up one side of the silo and this other side would not get it.” Obviously this resulted in some issues. That lack of communication led to a situation where some people working at the MCC did not know people from other functional areas, as Susan explained, “If someone came in with a question about a certain program and the GS Attendant didn’t know the answer they would not even know who to call.” This can be directly attributed to the silo affect that the MCC was experiencing. Clearly this is not a formula for good customer service. I personally believe another reason for this kind of disconnect was a result of the physical separation between these two functions at the MCC. The programmers are located on the second floor of the east building while the GS Attendants were stationed near the main entrance points of the facility. From my personal experience at the facility, I know that it is very easy and common for the programmers to come in and out of the facility without ever coming into contact with a GS Attendant. This takes out some of the non-formal communication lines that will naturally develop within an organization. Understanding the workings of informal communication network is very important to the concepts of change management and will be discussed in more depth later.

Aside from the silo effect that was plaguing the MCC there were also the issues of poor training and hiring practices. When it came to choosing people to work as GS Attendants, some of the selection methods lacked validity. Susan brought up one example that I believe exemplifies the problem. She pointed out that one of the interview questions was, “If you were a vegetable, what vegetable would you be?” Clearly this kind of question has no validity when it comes to filling a position that requires high levels of customer service. Aside from hiring practices that did not focus on the right attributes, there was room for improvement when it came to the training programs. There were minimal amounts of training for GS Attendants outside of their orientation. The main source of training came in the form of one meeting every month or so. These meetings only involved the GS Manager & Supervisor and the Leads. It was then the responsibility of the Leads to convey all the information discussed in that meeting with the GS Attendants. If you are thinking that this is not a very efficient system, you are right and it showed in the customer service delivered. The deficiencies in these areas compounded the silo effect.

The last contributing factor to the poor customer service revolves around leadership of the GS division. While it was never directly stated by any of the people that I interviewed, I got the distinct impression that the GS Manager was not the best suited for the position that they held. The GS manager was
characterized as unapproachable, harsh, uninspiring, and generally not a people person. It was also brought up the GS manager would not connect with all of their staff. They would play favorites and at times blatantly ignore some employees. These are clearly not attributes that you want to hear about the person who is supposed ensure customer satisfaction. This undoubtedly had an impact on the overall performance and culture of the GS sub-division and contributed to the poor customer service being delivered.

These were the three main things identified as the causes of the customer service issue being experienced at the MCC. Understanding the underlying causes is also a part of ensuring the need. This is important for a few reasons. First as we have hit on many times, people do not like change. When managers implement change they have to instill trust and gain buy in from the employees. If the manager fails to identify the real reasons for a problem then they will implement the wrong change and that is doomed from the start. As a result, the next time a change is presented employees will be less likely to buy in. Another key aspect of identifying the corrected causes of a problem is that it is the first step in enlightening the path to a strategic response. In general, it is very important to ensure that a change is truly needed before embarking on one. A point that is echoed by Fernandez and Rainey in their review of change management literature when they say, “Research indicates that the implementation of planned change generally requires that leaders verify the need for a change...” (Fernandez, Sergio)

The Change
Now that we have a clear understanding of the issues facing the MCC, we can now look at exactly what the changes were that occurred starting Oct. 8th 2010. The largest and most immediately recognizable change that occurred was to the reporting structures. The entire Guest Services sub-division was removed and their work responsibilities were then moved under the supervision of the Recreation Manager, Kurits Baumgartner. This change would include the creation of 4 new Assistant Recreation Supervisor (ARS) positions. Per the proposal created for this change by Susan, “The Asst. Supervisors would man and supervise all open hours of the MCC at the various desks, accounting for 6’500 hours annually, a generous estimate. The remaining time allotment allots for 6.25 administrative hours/individual/week – 1’330 total annually for hiring, training, and planning.” The GS Manager, GS Supervisor position was eliminated as were all GS leads. The GS Manager was laid-off, the GS Supervisor, Tammy, was offered one of the four new ARS positions. All the GS Leads and attendants were retained as Rec. Attendants. This would also effectively remove any need for the Guest Connect position that was never very effective in the first place. These changes went into effect immediately on the day of October 8th 2010.

We can see visually what happened by looking at the two organizational charts below that focus only the Recreation and Guest Services sub-divisions. The chart on the left shows the MCC reporting structure prior to the change. We can see the Guest Services sub-division outlines in red while the Recreation sub-division is outlined in black. The chart on the right depicts the post change structure. We
can clearly see that Guest Services as a division no longer exists and there are new positions under Recreation.

With the structural change also came a revamping of training and hiring practices associated with the former Guest Services positions that were retained, the ARS and Recreation Attendants. When it came to hiring, there was much more emphasis placed on finding the right kind of people for customer service positions. Thankfully, the question about what vegetable you are was thrown out with this change. There was also a new importance placed on giving the employees responsible for customer service the tools they needed to accomplish their task. This came mainly in the form of a new training program that involved everybody responsible for assisting patrons of the facility.

The Execution
When it comes to large scale changes to an organization, like the one just described, it is not done on a whim. A lot of time, thought, and consideration goes into figuring out what exactly the right course of action is. Those that try to implement large changes without doing this first are doomed to fail. In the case of the MCC, we know what changes actually took place and now we can look into how exactly these changes came about and were executed.

The Planning
Once an issue has been recognized, the underlying problems established, and the need ensured it then becomes time to take corrective action. Before establishing how you plan to fix things you must first establish where it is that you want the organization to be. This is where the core element of creating a
vision comes into play. As Gary J Yong points out in his case study on veteran’s health administration, “It has become a well-established principle that successful transformation requires a clear and comprehensive vision of the organization’s future.” (Abramson, Mark A) A vision creates an overarching goal for the organization to achieve. In his research, Harvard Professor John Kotter clarifies this by stating, “A vision says something that clarifies the direction in which an organization needs to move.” (Kotter, John) The vision that is created should clearly state the purpose and goals as well as be a large part of the communication that is put out during the change processes.

In the case of the MCC, the responsibility to create a vision was placed on Susan’s shoulders. As Michael explains, “We brought Susan in for a reason, we trusted her…..” In this change process Susan was the change leader, also commonly referred to change champion. This person or in a lot of change cases, group is responsible for working out what exactly the new vision will be for the organization. This is an area where I believe the MCC could have done more during its change process. The focus of these changes was to ultimately improve customer service. When I spoke with Michael about this, he stated a strong desire to make customer service better. As he phrased it, “Our expectations are not to be typical for government, or even good for government, our expectations are to have good customer service period.” When looking through all of the information communicated to the staff I have not been able to find any indication of a large overarching goal or vision. It was not made clear to the staff that there was a new focus on providing great customer service; rather the focus was placed more on the underlying causes. When I asked Susan directly about a vision she hesitated for a moment and pointed to Disney and their customer service model. She explained how Disney in her opinion was the model they compared themselves to and hope to achieve. While this was the example that Susan was working off of, she did not allude to it or any other level of desired service in the communications with the employees. Creating a strong vision that painted a picture of what the desired customer service would be could have really benefited the MCC not only with the change itself but in the long run as well. That is not to say that creating a vision is easy. A point that David Nadler makes when he states, “Painting a clear picture for them can be terribly difficult; the truth is that many organizations head into the transition state with nothing more than some basic goals and cherished values to guide them on their journey.” (Nadler, David) While it may be difficult develop a strong vision, it can be very helpful for an organization during a transition process. In the end, it is worth all the time and effort, as John Kotter notes, “In every successful transformational effort that I have seen, the guiding coalition develops a picture of the future that is relatively easy to communicate and appeals to the customers, stockholders, and employees.” (Kotter, John)

While an overarching goal or vision was never fully established, what was very apparent during the changes at the MCC was the focus on addressing the root causes of the poor customer service. When addressing these problems, Susan ultimately came to the conclusion that a new reporting structure was needed. This was a strategic choice, which is a very common part of creating a new vision. As this is a very important part of any change, it took a significant amount of time and consideration to come up with. Susan mentioned how she went through many different iterations of what to do and how to do it. At the end of the day she came to the restructuring conclusion that was explained earlier.
Upon coming to this conclusion Susan did two things that are very important part of change management, she communicated and involved others. I should note that the ultimate decision making power in regards to this kind of change resided with Mark Westermeier. It is common for a change of this nature to come from someone who is not the executive director; as a result it is imperative that a change leader(s) enlist the help of top executives. Only with their support or at the very least passive indifference can a change truly happen. As Kets points out, “The ability to effect change depends to a great extent on hierarchical authority, resource control, charisma, and dependency relationships within the organization. (Kets De Vries, Manfred) Thus it becomes very important to get people of power involved in the process. It is worth mentioning that power does not necessarily refer to a person’s title alone. Within organizations there are also informal social power bases that must also be considered. The larger the organization the more important this informal network becomes. In this case the MCC this does not really play much of a role, it is more the formal power structure that affected things. With the way CCP&R is structured the need for approval from the power positions is built into the way things operate.

In accordance with the standard operating procedures of CCP&R, Susan put together a proposal. In this proposal Susan outlined the issues being experienced, her recommendations to correct the problem, the financial ramification, and a timeline. (A copy of this proposal has been provided in the appendix, figure 6) In a standard weekly meeting on May 26th, Susan presented this information to Mark and Michael. At that time and for a period after Susan, Michael, and Mark reviewed all of the material and engaged in discussions about this proposed change. This type of communication is a very important part of any change process. Getting people, especially top management, on the same page is vital to making sure that a change will be implemented in a clear and uniform way. Following these discussions, the approval was given to Susan to proceed with hammering out all of the details of how this change would proceed. Once the decision was made to move in this direction, HR and legal were apprised of what was going to happen, this was solely to cover legal basis of letting an employee go. Outside of legal consulting, the HR team had very little if any influence on the change. It was also around that time when Mark communicated what the impending changes would be to the Parks Board President. This is yet another area where communication came up and is very important, especially to public sector organizations where there is always the chance for issues to become political.

Having the support and authority to fully implement this change, it was then time for Susan to work out exactly how this change was going to be executed. Again she relied on the common elements of communication and involving others as she began this process. This is the point where Kurtis really came in. During the period when Susan had proposed the changes and the time that approval was given, the Recreation Manager position had been vacated. The previous manager left on good terms, their spouse has finished school and they no longer needed to work. As a result this presented a unique opportunity to find a manager that would be capable of taking on the task of handling the integration of two sub-divisions. When Kurtis was interviewed in July of that year, it was with this change in mind. As a result, during the interview process he was let in on the fact that changes would be coming. As he explained, “Part of my interview process was to put together a plan on how we would proceed and what the new expectations for customer service would be for the department.” Obviously the result of the interview
process was that Kurtis was in fact hired. By hiring Kurtis the MCC had provided a great resource to their change effort. The MCC provided additional managerial resources by hiring someone they felt had the skills and abilities of handling additional responsibilities and challenges of the integrated subdivision. Providing this kind of resource has a tremendously positive impact on the success of a change.

With a new Recreation Manager in place it was now time to figure out all of the nuts and bolts of how to actually make this change work. This was accomplished through a lot of collaboration and communication between Kurtis and Susan. This was the point where all of the operational elements of the organization were considered to see how this change would affect those. The first thing they began to work on was to develop the job description for the ARS. They had to figure out what exactly would be expected of the people that would fill this role and to make sure the workload was appropriate. Other big things that came up in this point were developing a new training program, working out the scheduling, setting up new reporting lines and methods, and establishing the new roles, responsibilities, expectations for the Recreation Attendants. There was also attention devoted to rewriting some of the procedures and policies to bring them in line with the new operational reality. This kind of work is often overlooked or not fully addressed before a change is put in place. By removing obstacles like these it can go a long way in improving the overall success of a change effort. It is also worth noting that these changes were all focused on the internal obstacles. While it is common for change efforts to also have to deal with external factors, in the case of the MCC change there was no real need to address any of the external factors.

**Implementation**

October 8th, 2010, after the months of planning and organizing the day had finally arrived when the changes would be put in place. This was the most crucial point in the whole process. How this day went would either set the change up for success or doom it to failure from the start. As David Nadler notes an executive he worked with stated, “A bad strategy, well executed will win every time. And a good strategy, poorly executed, will fail every time. (Nadler, David)

The process started by talking with Audrey and Tammy. Michael and Susan sat down with each of them and explained what was going to be taking place. They informed Audrey that she was being laid off; something that neither Michael nor Susan expressed any joy in doing. While a rather unpleasant undertaking this also had the effect of removing an obstacle to the new focus on providing superior customer service. On a very basic level, the structure was set up in a way that created redundant levels of oversight. Among the many issues related to customer service, there was also the simple fact that there was no need for this managerial position. Along with the structural reasons, there was also the consideration of the skills that the GS Manager had. As was noted above, the GS Manager was not exactly a people person. By removing them from the organization they were able to remove a presence that would have acted as an obstacle to the new customer service focus, thus in the long run benefiting the organization. After talking with Audrey they talked with Tammy, this was a little different than the previous discussion. That is because in this case they were removing the position of GS Supervisor but they were also offering Tammy one of the new ARS positions, certainly a mix of emotions for her. The new position would have a different role and expectations to go with a considerable pay decrease. Not surprisingly Tammy needed some time before deciding what to do; ultimately she would
remain with the MCC. As it turned out, Tammy became a very useful resource when it came to onboarding and training the other ARS positions. Thus the MCC had retained a valuable resource in Tammy.

Immediately upon completing these two meetings Susan began to communicate with the staff to inform them of the changes being made. The main form of communication used was email. The reason for this is because it was the most effective way to reach all of the staff, especially considering the number of part time employees, as she stated, “It would have been nearly impossible to reach them all face to face.” The email explained what was taking place, noting which positions were being eliminated and which were being add as well as setting out some of the expectations for the change, as we can see here. (The full letter is available in the appendix, figure 7)

“This change will allow the desk staff to be more tightly connected to the programming and processes that we regularly ask you to relay to guests. I am hopeful that this will begin to give you more tools to do your job. In addition, it’s a solid step toward getting you all the access, training, and support you need to better complete all the functions our guests require—someday even things like overrides and shelter reservations!” Susan Beaurain.

Notice how she works to put a positive spin on the changes that are being made. We can see it in the use of the terms ‘hopeful’ and ‘solid step’ as well as bringing up the notion of giving the employees more capabilities. What she is doing is shifting the focus away from the negative of two positions being eliminated and placing it on how things will get better for the individual employees. This was obviously by design and is an important part of change and goes a long way to successfully implementing it.

Aside from the email that she sent out, Susan also held a meeting with all of the full-time staff whose offices were located on the second floor of the east building. This included mostly the programming staff. The reason for this was an attempt to try and control the gossip, which she admitted is almost impossible to do. It also provided an opportunity for interpersonal communication, which would get as clear of a message out as possible. This was also a very useful way of reinforcing what the email had explained. Multiple exposures to a message helps people fully understand what is being communicated. Some like David Nadler express the need to communicate a change at least three times, “Most people could not hear and integrate a major change message involving dramatic changes until they had heard it on three separate occasions.” (Nadler, David) Communicating the initial change is important to success but it is also important to keep communicating this message over the course of the change. A notion expressed by Kets when he states, “Repetition of the message is also important, because people need to be reinforced as they deal with the consequences of loss that change implies.” (Kets De Vries, Manfred) Along with repetition of the message another benefit of Susan bringing all of these people together is that it provided a forum to answer any questions that came up about the change.

Outside of that initial meeting, the one thing that Susan and Kurtis both did on this day and the months that followed was to have an open door policy. This can really help the change process, a point echoed by Kimberly Harokopus in her case study on the DOD when she stated, “Their open door and e-mail policies were instrumental in instituting changes to the procurement system. (Abramson, Mark A) This
opportunity was used by several in the organization, Susan pointed out that several of the full time staff came and talked to her. Kurtis also had a great deal of one on one communication with staff. He, much like Susan, stressed the importance of making sure all communication was done with a positive approach. In general the importance of communication is huge to the success of a change. Long time researchers Mark Abramson and Paul Lawrence point this out in their review of several case studies when they say, “All the case studies conclude that effective communication is crucial to the success of any transformation intuitive.” (Abramson, Mark A)

The immediate reaction of the staff was different at different levels of the organization. The full-time staff was most concerned about their own job security. This was partially due to the fact that Susan was relatively new to the organization. To this Susan explained what was done was simply due to redundancies and the need for better communication. As for Tammy, she had a lot to digest and she was not overly happy and understandably so. Among the former GS Leads there was a mixed feeling. As Kurtis stated, “They were a little apprehensive at first.” As for the GS Attendants, there was a level of excitement. As Holly expressed, “I was excited!” The only person that she stated was not very happy was Tammy and presumably Audrey. In general the positive approach that Susan and Kurtis took had worked and the organization was open to the idea of change.

**Transition**

The ground work had been laid, the staff was open to the changes and it was now time for MCC to fully execute the vision. This was the responsibility of Kurtis. As the head of the newly expanded Recreation sub-division he was responsible for the long term execution. That is not to say that Susan, Mark, and Michael had no impact. As Susan put it, “The planning part was mostly done before he got here but implementation he (Kurtis) was the key.” This is something that Kurtis was very willing and excited to be a part of. As he was aware of this impending change when he took the position, he relished in the opportunity to, “Have a fresh start and build it the way I wanted it” as he put it.

While the announcement had made the changes official there was still a lot to do. The biggest item on the agenda was to get the three other ARS positions filled to go along with Tammy. It took a few months to get all of them in. This presented a rather interesting operational issue. As Susan had planned it out, it would take 4 full time ARS positions to fully supervise the front desk operations. Immediately following the change there was one, Tammy. In order to make this work Kurtis had to do two things. First he had to essentially act as an ARS during the transition period where he would work behind the desk with the Recreation Attendants. This is an example of how resources needed to be provided for a change; in this case the resource was Kurtis’s time that could have been spent elsewhere. Secondly he had to rely heavily on the former GS Shift Leads as well as the Guest Connect position. While the Guest Connect position would eventually be removed, in the transition period, it was needed to keep things going. The former GS Leads also played a big role in the transition period when it came to providing some of the leadership and support for their fellow Recreation Attendants.

After a few months the three ARS positions were filled, the Guest Connect position was resolved, and more attention could be places on the other aspects of the change. These were namely implementing a new training program and to redesign the hiring criteria for Recreation Attendant. When it came to
training Kurtis wanted to bring in structure and organization that the previous training did not possess. As was brought up earlier, the training only involved the GS Leads, Supervisor, and Manager. This was changed, now the training was set every month and it would involve all those that had daily contact with patrons. The material reviewed was also much more focused on the skills that the Attendants needed to perform. This is where adapting comes into play. As the training process started, feedback was gained from the employees as to how to make things better, thus tweaks were made and the training adapted to the feedback. These adaptations were amplified once the new ‘Secret Shopper’ program was implemented. Using information gained from this, Kurtis was able to really refine what the training needed to be. As for the hiring the big focus was on getting in the right people. This was something that Kurtis was very adamant about. He pointed out that when he first took over the position, “There were a lot of individuals that hadn’t bought into the organization, they were just doing this for a job.” This was going to be addressed through empowering the current employees along with hiring employees more suited for customer service positions. As Kurtis put it, “I wanted to see a different breed of staff member.” He also acknowledged that some of the current employees were not in the best positions. He went on to point out that you don’t just fire them rather you work with them and try to empower them. The new focus on hiring and training were the long term steps taken to ensure this change was fully anchored in. This goes along with the core element of anchoring in the changes. By improving the training and hiring practices it enhanced the changes made to the structure and helped to anchor in the changes that were made.

The new devotion to training brings up another core element that appeared at the MCC, providing resources. The biggest of which is time, obviously there was a considerable amount of time devoted to planning this change out by Mark, Michael, Susan, and Kurtis. There was also a new time commitment associated with the training of all the Attendants that I discussed earlier. This requires a commitment from the attendants as well as those who organize it, mainly the ARSs’ and Kurtis. There was also the rather small financial impact for paying to have all the employees at training, although in this particular case the number is a drop in the bucket. The point is, that in times of change resources are needed and the MCC made the appropriate resources available. Aside from the time to do the training, the training itself was a new resource for the recreation attendants. It provided them it the supporting knowledge to go along with developing skills needed to effectively work in the attendant position. It is also worth noting the importance of adapting to changes in the operating environment. As it turns out a year or so after these changes were made the membership numbers and demands of the facility required that a fifth ARS position was needed. To accommodate this adaptation resources, in the form of budget for the position, were martialed and a fifth ARS was hired. This is an example of how organizations need to be able to adapt a change as well as provide resources for these adaptations.

From looking at the change that occurred at the MCC we can see that this process involved three main phases. The first was the identification phase, in which Mark and Michael, with the help of the public, recognized that there was a problem occurring in regards to the customer service being offered. Second was the strategic phase in which Susan looked at the underlying problems and then came up with a corrective course of action. The last phase was the implementation stage in which Susan and Kurtis were responsible for implementing the new strategies that had been devised. Each phase of this change was
just as important as the next and it took several months to progress through. It is also worth noting that
the changes experienced at the MCC were not conducted through any change system or methodology.
Rather all of the steps that have been described above were done as a result of the experience and
intuition of the individual actors.

Results
Having put all of this time and effort in, what were the results for the MCC? This is ultimately what
change management is all about, getting the organization from point A to point B. For the MCC the
change experienced was a relative success. All four of the members of CCP&R that I talked to expressed
that they felt the change had been a success and all four of them also pointed out that there was still
room for improvement. It is also interesting to note that all of those I interviewed had relatively
different perceptions of how long it took for the changes to fully take effect. Holly said that they were
accepted almost immediately, Susan stated it took around six months or so. Kurtis and Michael were the
most similar in their assessments. Michael believe it took six months for things to get back to normal
and then a year to for the new roles and responsibilities to be fully realized. While Kurtis said the biggest
impact did not come until a year to a year and a half after. This inconsistence among the members of
the change points out an area where the MCC could have been more effective in its change. Most
change management literature points to the need to have well defined milestones and objectives set.
These are set to give the organization a goal to reach and help them understand exactly where they
stand in relation to that goal. By setting these goals and milestones it acts as another way to anchor in
the changes that have been made. This is something the MCC did not do. I believe one of the main
reasons for this is because the facility had no metrics in place to really judge the levels of customer
service. As was explained earlier, the MCC did implement a ‘Secret Shopper’ program after the changes
were made, but prior to that the only metrics used were observations and customer complaints. While
the MCC may not have had any goals set or hard data in place to tell them how they were doing that
does not mean that they were not paying attention at all. As Michael pointed out, “I can’t say we had a
specific example of say our Secret Shopper numbers will go from x to y or x fewer complains, the
milestones I was looking at, was for a noticeable decrease in concerns about customer service.” These
decreases in fact did come. Susan stated, “Where we are today, I would consider us to be miles ahead of
where we were when I got here.” The management team of the MCC as well as Mark and Michael were
very interested in monitoring this change and through use of observation they were able to see the
affects.

Where does this leave us in regard to the question about employee turnover related to employee buy
in? The answer to this question not as straight forward as it may seem. All of the anecdotal evidence
that I have collected states that there was indeed buy in early on. To go along with this observation,
there was not an abnormal amount of people leaving the MCC immediately after the change which
would seem to indicate that turnover did not have anything to do with the success of the change. The
problem arises when you examine what the length of stay was for the GS Attendants, later renamed
Recreation Attendants, prior to and following the change. It was asserted by Susan that the average
length of stay prior to the change was around three months and that following the changes it jumped to
around a year. This seems to give light to the idea that turnover may have in fact impacted the acceptance of the change due to the fact that real acceptance of the change did not occur till about a year after implementation. The problem is that Susan’s assertion was not supported by any hard numbers; furthermore, Kurtis disagreed with her assessment of the situation. He explained that following the changes there was a drastic improvement in retention rates at the MCC. He also explained that he did not agree with Susan’s’ assertion that the average length of stay for the attendants was only three months. When I asked him what the average length of stay was, he expressed that he was not comfortable putting a number on it. I believe this has to do with the fact that he had no hard numbers to go off of. A logical solution to this problem would be to ask HR what the numbers were. As it turns out, I was informed that the HR department did not have set metrics in place to measure average length of stay for the attendants. Thus there is no way to truly know for sure what the answer is.

While I got the impression that there was in fact buy in early on and true results of the change were not fully realized until a majority of the attendants hired under the old system had left the organization, there is no hard evidence to support my assessment. I base my assessment on the notion that, the qualities and expectation of the employees had changed and many of the original GS Attendants did not possess the natural tendencies that make for good customer service employees. As Susan stated in reference to these employees, “They were not well suited for it.”

Unfortunately looking back at this change there were no metrics that truly monitored how this change was impacted by the turnover. This was simply not something the management team was worried about or looking to monitor with metrics. Due to this overall lack of metrics in place, I am not able to draw any decisive conclusions. While I am not able to make any assertions, I think that this is a topic that should continue to be explored and examined in other organizations. Whether that is done by looking back at other organizational changes that have taken place or to identify organizations currently undergoing change efforts and examine those cases. Ongoing examination should be able to verify or disprove my assessment of the situation. A metric that I believe would be very useful to use would be exit interviews with employees that choose to leave during a transition period. From these you would be able to get a very candid response to questions related to buy in. It would also allow for insight as to why the person left the organization, which could help to prove or disprove the notion that some people are not naturally inclined to work in certain systems. Another thing to possibly look at would be to examine the turnover rate and length of stay at several different service organizations that are experiencing large scale change. By answering these questions we can get a clearer picture of how changes are really accepted and in what manner the overall goal is reached. Understanding the impact that turnover plays can be very helpful to leader(s) that are trying to plan out and predict how a change in their organization will go.

**Conclusion**

Though a clear conclusion could not be drawn to the stated research question we have been able to see many different aspects of how a change was implemented in a public organization.
Through the examination of the changes at the MCC we were able to see how the eight common elements of change management methodology were applied. The MCC progressed through several stages starting with the recognition phase then progressed through the planning, implementation, and evaluation phases. In the recognition phase, the MCC identified the core issue of customer service along with the underlying reasons for this issue. During the planning phase, the MCC weighed all of its options, eventually coming to the conclusion to restructure. While implementation was immediate, the MCC took actions to anchor in these new changes through hiring and training. Due to their efforts, the MCC was able to see their hard work come to fruition as the customer service provided came more into line with expectations. While we were not able to draw any conclusions there is still the need to continue exploring what impact turnover has on the acceptance of a change. In the end change is all around us, we must react to and properly manage it so as to allow our organization to continue to grow and thrive, this is exactly what the Monon Community Center did.
## Change Management 29

### Figure 5

#### Monon Center - Carmel Clay Parks & Recreation
109 Monon Center Budget vs. Actual YTD
January through December 2011

<table>
<thead>
<tr>
<th>Ordinary Income/Expense Income</th>
<th>Jan - Dec 11</th>
<th>Budget</th>
<th>$ Over Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>0900000 - REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3100000 - Sales Tax Collected</td>
<td>25,150.99</td>
<td>31,425.00</td>
<td>-6,265.01</td>
</tr>
<tr>
<td>3400000 - Custodial Fees</td>
<td>8,419.90</td>
<td>3,065.00</td>
<td>5,355.00</td>
</tr>
<tr>
<td>3460000 - Facility Rentals</td>
<td>134,537.10</td>
<td>120,494.00</td>
<td>14,043.10</td>
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<tr>
<td>3460200 - Shelter Rentals</td>
<td>17,082.00</td>
<td>11,440.00</td>
<td>5,642.00</td>
</tr>
<tr>
<td>3460300 - Food Services Revenue</td>
<td>296,027.15</td>
<td>248,000.00</td>
<td>48,027.15</td>
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<tr>
<td>3460400 - Aquatics Programs</td>
<td>347,339.95</td>
<td>181,126.00</td>
<td>166,213.95</td>
</tr>
<tr>
<td>3460500 - Fitness Programs</td>
<td>163,391.00</td>
<td>384,030.00</td>
<td>-220,639.00</td>
</tr>
<tr>
<td>3460700 - Preschool Programs</td>
<td>129,683.12</td>
<td>83,946.00</td>
<td>45,737.12</td>
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<tr>
<td>3460800 - Youth Programs</td>
<td>116,150.15</td>
<td>129,162.00</td>
<td>-13,011.85</td>
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<tr>
<td>3460850 - KidZone Fees</td>
<td>5,946.80</td>
<td>10,000.00</td>
<td>-4,053.20</td>
</tr>
<tr>
<td>3460900 - Adult Programs</td>
<td>84,291.45</td>
<td>92,000.00</td>
<td>-7,708.55</td>
</tr>
<tr>
<td>3461000 - Special Events</td>
<td>30,652.94</td>
<td>50,000.00</td>
<td>-19,347.06</td>
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<tr>
<td>3461100 - Therapeutic Rec Programs</td>
<td>26,492.25</td>
<td>17,000.00</td>
<td>9,492.25</td>
</tr>
<tr>
<td>3461150 - Annual Passes</td>
<td>95,867.58</td>
<td>340,000.00</td>
<td>-244,132.42</td>
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<tr>
<td>3461600 - DS Corp Annual Passes</td>
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<tr>
<td>3461700 - Season Passes</td>
<td>-66,376.65</td>
<td>115,125.00</td>
<td>-181,501.65</td>
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<tr>
<td>3461750 - Monthly Passes</td>
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<td>1,000,000.00</td>
<td>-3,669,469.61</td>
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<td>3461800 - DS Corp Monthly Passes</td>
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<tr>
<td>3461850 - Value Passes</td>
<td>116,947.12</td>
<td>202,050.00</td>
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<tr>
<td>3461900 - Daily Passes</td>
<td>635,087.69</td>
<td>390,000.00</td>
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<tr>
<td>3461950 - Contractor Commissions</td>
<td>1,485.70</td>
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<tr>
<td>3461990 - Merchandise Sales</td>
<td>2,087.40</td>
<td>13,826.00</td>
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<td>3600000 - Miscellaneous Revenues</td>
<td>50,000.00</td>
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<tr>
<td>3610000 - Interest on Sweep</td>
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<td></td>
</tr>
<tr>
<td>3670000 - Contributions &amp; Gifts</td>
<td>25,641.00</td>
<td>52,500.00</td>
<td>-26,859.00</td>
</tr>
<tr>
<td><strong>Total 0900000 - REVENUES</strong></td>
<td>4,568,830.16</td>
<td>3,683,116.00</td>
<td>895,714.16</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>4,568,830.16</td>
<td>3,683,116.00</td>
<td>895,714.16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expense</th>
<th>Jan - Dec 11</th>
<th>Budget</th>
<th>$ Over Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4100000 - PERSONAL SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4101000 - Full Time Regular</td>
<td>642,980.26</td>
<td>785,505.00</td>
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</tr>
<tr>
<td>4101100 - Part Time</td>
<td>1,084,801.91</td>
<td>1,399,552.00</td>
<td>-314,750.09</td>
</tr>
<tr>
<td>4112000 - Overtime</td>
<td>5,775.16</td>
<td>23,150.00</td>
<td>-17,374.84</td>
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<tr>
<td>4122000 - Deferred Compensation</td>
<td>4,005.31</td>
<td>8,120.00</td>
<td>-4,114.69</td>
</tr>
<tr>
<td>4123000 - Employer's Share of FICA</td>
<td>104,090.59</td>
<td>137,320.00</td>
<td>-33,229.41</td>
</tr>
<tr>
<td>4202000 - Employer's Share of H-ins</td>
<td>192,568.13</td>
<td>241,856.00</td>
<td>-49,287.87</td>
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<tr>
<td>4222000 - Disability Insurance</td>
<td>2,132.48</td>
<td>3,560.00</td>
<td>-1,427.52</td>
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<tr>
<td>4222900 - Life Insurance</td>
<td>2,125.20</td>
<td>1,908.00</td>
<td>217.20</td>
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<tr>
<td>4223000 - Civilian Pensions</td>
<td>67,515.36</td>
<td>61,681.00</td>
<td>5,834.36</td>
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<tr>
<td>4243000 - Employer's Share of Medicare</td>
<td>24,349.17</td>
<td>32,118.00</td>
<td>-7,768.83</td>
</tr>
<tr>
<td><strong>Total 4100000 - PERSONAL SERVICES</strong></td>
<td>2,129,605.57</td>
<td>2,713,823.00</td>
<td>-584,217.43</td>
</tr>
</tbody>
</table>

Page 1
Figure 6

Guest Services Staffing Proposal
Susan Beaurain, MCC Division Manager
26 May 2010

Current Staffing Levels and Recurrent Issues

Current supervisory staffing levels within the Guest Services area of the Monon Community Center include FT Guest Services Manager, FT Guest Services Front Desk Supervisor, and PT Guest Services Shift Leads with the Manager reporting to the Division Manager. In addition, there is the non-supervisory PT Concierge. The full time administrative hours currently being used toward managing the Guest Services sub division is 3'900 annually. The part time shift leads spend on average 6’120 hours annually manning and supervising the desk functions within the MCC. The part time Concierge position spends on average 1’600 hours annually touring guests and selling the MCC. In 2009, these positions accounted for 2 full time and 8 part time CCPR employees or 5.93 FTE’s. Payroll costs are illustrated in the chart below:

<table>
<thead>
<tr>
<th>Position</th>
<th>Annual hours</th>
<th>Salary/Pay costs</th>
<th>Benefits costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS Manager</td>
<td>exempt</td>
<td>$44,238.74</td>
<td>$21,798.73</td>
<td>$66,037.47</td>
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<tr>
<td>GS Supervisor</td>
<td>exempt</td>
<td>$37,175.06</td>
<td>$27,328.29</td>
<td>$64,503.45</td>
</tr>
<tr>
<td>GS Shift Leads</td>
<td>6,047</td>
<td>$61,981.75</td>
<td>$4,742.00</td>
<td>$66,723.75</td>
</tr>
<tr>
<td>GS Concierge</td>
<td>1’623</td>
<td>$16,635.75</td>
<td>$1,272.64</td>
<td>$17,908.39</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$215,173.06</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Despite the amount of manpower and Monon Community Center funds spent on Guest Services, the sub division continues to be one of the biggest trouble spots within the MCC and the image of Carmel Clay Parks & Recreation as a whole. This is easily supported through the numerous customer and staff complaints received at every level, including members of CCPR Board and elected officials of its fiscal bodies. In addition, many of these complaints are plainly substantiated through regular observation of staff. The major issues include but are not limited to:

- Lack of engagement with customers
- Lack of simple greeting of customers
- Inattention to customer movement within the facility
- Lack of buy-in to Department vision and mission
- Lack of communication from manager/supervisor
- Poor phone etiquette
- Lack of enthusiasm
- Insufficient knowledge of programs and activities within CCPR and MCC
- Defensive and contentious communication internally and externally
- No clear staff training plans or outcomes
- Poor hiring practices, resulting in high turnover
- Lack of accountability
• Poor decision making
• Little to no delegation of tasks
• Creating an internal environment of negativity and fear

All of the above contribute to the overall poor customer service currently provided by the Guest Services sub division. In the five months I have been with the Monon Community Center, I have not seen any improvement within Guest Services despite my efforts to re-create a culture reflective of the level of ownership, enthusiasm, and customer service expected by our Board, fiscal bodies, administration, and customer base. As it is my understanding that these issues have been present even previous to the current employees, the solution clearly rests with re-structuring rather than re-staffing.

**New Staffing Structure and Benefits**

The new Guest Services of the Monon Community Center would no longer be a sub division but rather an area within the Recreation sub division, with supervisory staff reporting directly to the Recreation Manager. The following positions would be eliminated: Guest Services Manager, Guest Services Front Desk Supervisor, Guest Services Shift Lead, and Guest Services Concierge. This is the elimination of 2 FT positions, and 3.93 FTE’s of PT positions, approximately 8 current employees would be affected. The eliminated positions would be replaced with 4 FT Assistant Guest Service Supervisors, a non-exempt* position reflective of the pay and responsibility level of the Assistant Site Supervisor within the ESE program. Four positions of this kind would allow for 7’800 annually. The Asst. Supervisors would man and supervise all open hours of the MCC at the various desks, accounting for 6’500 hours annually—a generous estimate. The remaining time allotment allows for 6.25 administrative hours/individual/week—1’300 total annually—for hiring, training, and planning. Payroll costs are illustrated in the chart below:

<table>
<thead>
<tr>
<th>Position</th>
<th>Annual hours</th>
<th>Salary/Pay costs</th>
<th>Benefits costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS Asst. Supervisor</td>
<td>1’950</td>
<td>$24,808.00</td>
<td>$17,964.00</td>
<td>$44,772.00</td>
</tr>
<tr>
<td>GS Asst. Supervisor</td>
<td>1’950</td>
<td>$24,808.00</td>
<td>$17,964.00</td>
<td>$44,772.00</td>
</tr>
<tr>
<td>GS Asst. Supervisor</td>
<td>1’950</td>
<td>$24,808.00</td>
<td>$17,964.00</td>
<td>$44,772.00</td>
</tr>
<tr>
<td>GS Asst. Supervisor</td>
<td>1’950</td>
<td>$24,808.00</td>
<td>$17,964.00</td>
<td>$44,772.00</td>
</tr>
</tbody>
</table>

**Total** $179,088.00

**Total Fund 109 Savings: $36’085**

Payroll costs were calculated using a grade 3, step 3 salary and mid-level health insurance premiums (employee and dependent). Individuals with no dependents will show a savings of about $5’000, those with more will show a similar increase.

*The Assistant GS Supervisor position would ideally be exempt if eligible.

The benefits of this over the current organization are many, not the least of which is cost savings. With its placement under Recreation the GS Asst. Supervisors would participate in regular Recreation planning and staff meetings, eliminating many of the issues regarding lack of information and the silo
effect we see so clearly in the current structure. As FT employees, the Asst. Supervisors would be the face of management within the building during all open hours: as opposed to the Current Guest Connection position, which is often non-desk trained staff that struggles with the operational needs of the Guest Services attendants. The Assistant Supervisors would have a vested interest in the operational, programming, and customer service aspects of the MCC. The positioning of GS under Recreation would also allow staff to have a clearer concept of providing service within the scope and expectations of the Recreation industry.

**Timeline and Conclusions**

It is apparent that a drastic change is necessary if we expect to improve customer service at the Monon Community Center. It is, in fact, this lack of consistently high quality service that furthers the negative image of the MCC which in turn negatively affects retention and, consequently, revenues. The proposed changes will provide this “blow-up”, save expenditures, more efficiently use staff time, increase guest services buy-in, knowledge and capabilities, and overall improve image, morale, and service within the Monon Community Center.

An expedited process is ideal in this proposal. Job description and posting for Assistant Supervisors should be completed by the end of June, hiring and training in July and August with the change occurring at the close of the summer season. It will be a sensitive time that will need to be handled diplomatically with staff that will be retained, customers/public, as well as those whose positions are eliminated.
Guest Services Attendants:

I wanted to take a minute to let you know about some organizational changes that are occurring at the MCC that directly affect all of you.

As of today, Guest Services will become a part of our Recreation subdivision under the supervision of Kurtis Baumgartner. While this is an overall positive change, it does entail some changes to staffing: we are adding four new full-time Assistant Recreation Supervisors and the eliminating the positions of Guest Services Manager and Front Desk Supervisor. The Assistant Recreation Supervisors, who report directly to the Recreation Manager, will be responsible for hiring, training, supervising, and being a true connection between what goes on in recreation and our front desk staff. You will also be referred to as Recreation Attendants. Once these positions are filled, the Assistant Recreation Supervisors will be based at the front desk and be available to provide assistance to you anytime the building is open, filling the place once occupied by shift leads or guest connections. Since the new positions incorporate a number of the existing responsibilities of the Front Desk Supervisor, we have asked Tami Powell to be one of our new Assistant Recreation Supervisors.

This change will allow the desk staff to be more tightly connected to the programming and processes that we regularly ask you to relay to guests. I am hopeful that this will begin to give you more tools to do your job. In addition, it’s a solid step toward getting you all the access, training, and support you need to better complete all the functions our guests require—someday even things like overrides and shelter reservations!

I am very available to answer any and all questions or concerns you have about these changes. Feel free to send me an email at sbeaurain@carmelclayparks.com or call my office or cell 573-5236 or 730-4150. I want these changes and transition to be positive for all involved. So let me be the first to say: Welcome to Recreation!

Sincerely,

Susan Beaurain
Bibliography


