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A longitudinal study of employee satisfaction during the process of transformation in a water utility organization

Abstract

Longitudinal studies are valuable to organizations faced with the process of transformation because they provide an opportunity to determine the impact of change interventions in an organization. Changes in employees' behavior and attitudes can be observed over an extended period of time. The main purpose of this study is to conduct a longitudinal study of employee satisfaction during organizational transformation over a period of three years. The variable employee satisfaction is measured using the employee satisfaction survey (ESS). Descriptive and inferential statistics are conducted to analyze the data collected from the three convenient sample sizes of $N = 1140$ (Year 1), $N = 920$ (Year 2) and $N = 759$ (Year 3). The results of this study indicate that there are significant positive changes and differences between the three samples regarding the areas of employee dissatisfaction and satisfaction, resulting from the process of organizational transformation. Recommendations are made on how managers can use longitudinal studies to conduct employee satisfaction audits during organizational transformation, in order to determine, monitor and compare the observed changes. As a result, organizations will be able to leverage on their areas of strength and to initiate relevant interventions for their developmental areas.

Keywords: longitudinal study, employee satisfaction, dissatisfaction, organizational transformation.

JEL Classification: L2.

Introduction

Literature suggests that megatrends in the world of work indicate that organizations are faced with the challenge of dealing with the effect of globalization and international competition, global economic recession and technological advancements (Creelman, 2013; Liu, 2010). As a result of these challenges, organizations are required to embark on organizational transformation. This process of transformation involves reducing the head counts in the organization or developing measures to do more with less; in order to remain competitive (Probart, 2013). In addition, the technological innovations and advancements continue to increase organizational pressure for survival. This influences how organizations can produce products and provide services using cost effective methods such as automation where robots replace human beings to do the work (Creelman, 2013). It is during this process of dealing with changes that organizations become risky and unstable environments for their employees. What all this means for management in organizations is that the employees are either affected by the transformation process positively by being satisfied or negatively which means the employees are being dissatisfied. Hence organizations need to constantly improve their employees' satisfaction by addressing factors that create employee dissatisfaction (Küskü, 2003). The objective of this study was to conduct a longitudinal study of employee satisfaction during organizational transformation in order to determine changes and differences in areas of satisfaction and dissatisfaction. This paper explains the research metho-

dology applied and it also provides a discussion of the research results.

1. Literature review: employee satisfaction and organizational transformation

Most organizations are faced with the difficult but vital task to implement transformation processes (Denton & Vloeberghs, 2003). The processes of transformational change are radical, non-incremental and are associated with high risk decision making (Meyer & Botha, 2000). Cummings and Worley (2008, p. 505) stated that the transformation process occurs in response to or in anticipation of major changes in the organization's environment and technology. An adaptive organization anticipates changes in its environment and responds proactively through change (Werner, 2007). The focus of transformation in an organization is to improve organizational performance by establishing a competitive advantage over its competitors. Transformational change is mainly related to the processes of redefining the organizational values, dramatic restructuring and variations of business process re-engineering. This process has an effect in terms of employees' behavior and attitudes; such as performance and satisfaction. Employees are the internal customers of the organization; when an organization embarks on a transformation process its individual employees are affected either positively or negatively. As a result, employees can either respond to organizational change by either being satisfied or dissatisfied within the organization. When employees are satisfied with the current working environment, they are willing to ensure that their organization is able to accomplish its business goals (Burke, Graham & Smith, 2005; Chen, Yang, Shiao & Wang, 2006).

Martins and Coetzee (2007, p. 21) describe employee satisfaction as a pleasurable or positive emotional state resulting from an employee's appraisal of his or her work environment or experience. Studies in the literature indicated that satisfied employees will ensure that their organization is able to gain a competitive advantage through their high performance (Burke et al., 2005; Chen et al., 2006). Burke et al. (2005) also argued that employee satisfaction influences organizational performance and customer satisfaction. The concern is that employees that are dissatisfied are a threat to an organization because their dissatisfaction may lead to labor disputes if it is not identified and addressed. It is therefore imperative that organizations develop and implement interventions in order to improve and sustain employee satisfaction because of its visible negative effects, which are employee turnover, deviant behavior and property and production deviance (Kulas, McInnerney, DeMuth & Jadwinski, 2007).

The literature refers to numerous studies on employee satisfaction in the field of organizational development, with articles and dissertations having been published on the topic (Chen et al., 2006; Kuskü, 2003; Locke, 1976). In the South African context several studies have been conducted on employee satisfaction in both the public and private sectors. Within the public sector, Luddy (2005) conducted a study regarding employee satisfaction levels among employees in a public hospital and Appel (2006) also investigated the levels of employee satisfaction among government environmental officers. Mckenzie (2008) investigated the employee satisfaction of dieticians employed in the public service; Martin and Roodt (2008) conducted an empirical study of perceptions of employee satisfaction in a tertiary institution; while Ramasodi (2010) investigated employee satisfaction of health care professionals in a government hospital. All these studies reported that employee satisfaction in the public sector is generally satisfactory, although there are areas that still need attention such as succession planning, management and leadership as well as rewards and recognitions.

In terms of the studies conducted in the private sector; Martins and Coetzee (2007) found positive levels of employee satisfaction in their study within an engineering company. Lumley (2009) examined employee satisfaction among various Information Technology (IT) companies and found that the participants are most satisfied with their work and supervision. Pillay (2009) also conducted a comparative study of employee satisfaction between public and private organizations, the results

suggested that employees in both sectors varied in terms of the dimensions measured for satisfaction. In addition, Koketso (2011) reported positive levels of satisfaction among municipality employees.

A common thread among the above studies in the public and private sector is that they were mainly cross-sectional in nature. They focused only on the current degree to which employees were satisfied with their organizations and the antecedent factors of employee satisfaction. They also focus on other factors associated to employee satisfaction that enable organizations to attract, motivate and retain employees such as productivity, customer satisfaction, employee loyalty and performance (Abott, 2003; Burke et al., 2005). Despite this existing knowledge, employee satisfaction is still a complex construct for the modern-day organization (O'Neil, 2005); especially in terms of how an organization can use a longitudinal study to observe employee satisfaction over time during the process of organizational transformation. While this study is aimed at addressing this gap; the importance of employee satisfaction in organizations suggests that the construct satisfaction merits continued empirical research in order to gather new information, in specific contexts. The new information will aid in enhancing and updating what is already known about the construct employee satisfaction. Therefore, the purpose of this paper is thus to explain the use of a longitudinal study in order to determine positive changes and differences in employee satisfaction during organizational transformation in a South African water utility company.

Based on the above background, it is hypothesized that:

There are significant positive changes and differences in the three years study of employee satisfaction during organizational transformation in a water utility organization.

2. Research methodology

A longitudinal study was conducted over a period of three years to determine changes in employee satisfaction during organizational transformation in water utility organization. The time factor is considered essential in improving the quality of the research. Hence a longitudinal study is essential as it can help to enhance the quality of the research based on time periods used to conduct observations; the time periods may extend from weeks, months to years (Bailey, 1982; Terreblanche, Durrheim & Painter, 2006). A longitudinal study is a repeated measure of a variable at selected time intervals and it enables the researchers to note changes of the specific variable that occur over time. This type of

study is considered to be a developmental study field that repeatedly measures the same characteristics in a single unit of analysis at selected time intervals. The following are the three types of longitudinal studies (Bailey, 1982; Babbie & Mouton, 2009; Welman, Kruger & Mitchell, 2009):

- ◆ Trend studies are conducted to observe changes within some general population or different respondents are studied over time. It occurs when the researcher conducts a study with different samples from the same population rather than the same sample at different times.
- ◆ Cohort studies are conducted to observe changes over time in the relatively specific sub-population. It is an intact group and it does not necessarily involve a representative sample from a population group.
- ◆ Panel studies are observations of the same set of people or the same respondents are studied over time to determine changes. A sample is drawn that is more or less representative of the relevant population to conduct research at different points in time, in order to indicate whether different subgroups exhibit different changes over time.

While the above description provides a distinction of the three types of longitudinal studies, they have been criticized because they are considered to be very expensive to conduct.

This is due to the costs and overheads increases year to year in order to keep track of participants over a long period of time (Salkind, 2009). The other criticism relates to the attrition rate of participants and the constraints of time in conducting longitudinal studies, especially in a large-scale survey (Christensen, 2001). Although, a longitudinal study is considered to be an expensive undertaking and labor intensive; its benefits are important in understanding employee behavior in organizations today. According to Salkind (2009, p. 250) the advantages of a longitudinal study are that it reveals extensive detail in the process of development, it provides high comparability of the same group, it allows for the study of continuity between widely differing groups, it allows for modified cause-and-effect speculation about the relationships between variables and it also provides high comparability groups. Central to these advantages is that a longitudinal study compared to cross-sectional study provides the information required for describing observations over time (Babbie & Mouton, 2009).

The following section describes the research design, research questionnaire, population and sampling,

survey administration and statistical analysis of this study.

2.1. Research design. To achieve the purpose of this longitudinal study, a survey method was used to gather quantitative data on participants' responses (Welman et al., 2009, p. 95). The type of longitudinal study conducted in this study was a trend study as it allows the researchers to conduct research with different samples from the same population rather than the same sample at different times (Bailey, 1982; Babbie & Mouton, 2009; Welman et al., 2009). The trend study enabled the researchers in this study to counteract the effect of participants' attrition rate due to staff turnover; Table 1 in section 2.2. presents percentages and frequencies of participants who took part in the three years of the study. It indicates participants who took part in Year 1 and 2 studies as well as in all the three years of study.

2.2. Population and sampling strategy. The empirical study was conducted among a population of water utility organization employees. All the employees were invited to voluntarily participate in the survey in order to obtain sufficient number of participants from the total population. The non-probability sampling method known as convenient sampling was used to obtain the three sample sizes of participants (Salkind, 2009). To collect data the employee satisfaction survey (ESS) was used to measure employee satisfaction in Year 1, Year 2 and Year 3. The sample size of Year 1 comprised of 1140 participants; in Year 2 the sample size consisted of 920 participants; and the sample size for Year 3 included 759 participants. All these participants voluntarily completed the survey.

With regard to the biographical details of the Year 1 sample: 1.6% of the participants were senior managers, 5.1% were middle managers, 19.8% were supervisors and 73% were operational staff. These job levels included 88.5% of male and 11.5% of female participants.

In terms of the biographical details of the sample for Year 2: 6.1% of the participants were senior managers, 16.3% were middle managers, 72% were supervisors and 5.7% were operational staff. Of the total number of the participants 80.7% were male and 19.3% were female.

The biographical details of the sample for Year 3 indicated that 2.9% of the participants were senior managers, 6.9% were middle managers, 20.4% were supervisors and 69.8% were operational staff. These job levels included 74.7% of male and 25.3% of female participants.

Table 1. Percentages and frequencies of participants in the three samples

| ESS Samples | Year 1 | Year 2 | Year 3 | Years 2 and 3 |
|-------------------|---------------|---------------|----------------|---------------|
| Year 1 (N = 759) | 759 (100%) | 410 (54%) | 531 (69%) | 489 (64%) |
| Year 2 (N = 920) | 410 (54%) | 920 (100%) | 725 (78%) | 725 (78%) |
| Year 3 (N = 1140) | 531 (69%) | 725 (78%) | 1140 (100%) | - |

Part of the biographical questionnaire in Years 2 and 3 requested the participants to indicate if they had participated in the previous surveys; Table 1 presents percentages and frequencies of participants who took part in the three years of the study. Based on the sample composition results in Table 1; the results indicated that 54% of Year 1 (N = 759) sample took part in Year 2 study and 69% of the Year 1 sample also took part in the Year 3 study. From sample of Year 1, the total percentage of participants who took part in both Years 2 and 3 studies is 64%. The results also indicated that 78% of participants of the Year 2 sample took part in the Year 3 study.

2.3. Research questionnaire. The Employee Satisfaction Survey is a self-evaluation questionnaire (Martins & Coetzee, 2007). Its aim is to measure employees' satisfaction levels and it has 13 dimensions which are listed in Table 2. The survey consists of a set of 75 items or statements, all of which are considered to be of equal value and to which the participants respond by indicating their agreement or disagreement with each statement. Martins and Coetzee (2007, p. 23) indicated that the reliability coefficients of the ESS dimensions range between 0.86 and 0.92. A summated rating in the form of a five-point Likert-type scale was used; with (1) indicating strong disagreement and (5) indicating strong agreement.

The duration for completing the survey was approximately 20 to 30 minutes.

In terms of the research procedure, each year of the survey included a covering letter that provided participants information regarding the importance of the study; purpose of the questionnaire; voluntary participation of the respondents, confidentiality of respondents' responses and the process of getting feedback of the research results (Salkind, 2009). The participants of all three samples were also briefed about the purpose of the surveys which was to determine areas of satisfaction and dissatisfaction in the organization, in order to implement change interventions.

3. Results and discussion

In order to achieve the objective of this study, descriptive statistics in the form of mean scores and standard deviations were conducted to analyze the data. The Cronbach alpha coefficient was performed to determine the reliability of the ESS questionnaire. In terms of inferential statistics; the Kruskal-Wallis nonparametric test was used for analysis of variance because the three samples were convenient and independent samples.

3.1. Reliability of the employee satisfaction survey. The reliability results of the Employee Satisfaction Survey for the three samples are depicted below in Table 2.

Table 2. Reliability analysis of ESS for the three samples

| ESS dimensions | Number of items | Minimum | Maximum | Cronbach coefficient | | |
|---------------------------------|-----------------|---------|---------|---------------------------|--------------------------|--------------------------|
| | | | | Year 1 Sample N = 1140 | Year 2 Sample N = 920 | Year 3 Sample N = 759 |
| Vision and mission | 4 | 1.00 | 5.00 | 0.93 | 0.66 | 0.84 |
| Values | 5 | 1.00 | 5.00 | 0.82 | 0.76 | 0.84 |
| Leadership | 7 | 1.00 | 5.00 | 0.87 | 0.88 | 0.88 |
| Change management | 7 | 1.00 | 5.00 | 0.91 | 0.86 | 0.89 |
| Health and safety | 3 | 1.00 | 5.00 | 0.68 | 0.72 | 0.81 |
| Employment equity and diversity | 6 | 1.00 | 5.00 | 0.75 | 0.65 | 0.74 |
| Human resource management | 4 | 1.00 | 5.00 | 0.80 | 0.83 | 0.72 |
| Training | 4 | 1.00 | 5.00 | 0.75 | 0.72 | 0.78 |
| HIV/AIDS | 3 | 1.00 | 5.00 | 0.33 | 0.65 | 0.66 |
| Communication | 11 | 1.00 | 5.00 | 0.90 | 0.76 | 0.84 |
| Teamwork | 3 | 1.00 | 5.00 | 0.71 | 0.71 | 0.70 |
| Relationships | 8 | 1.00 | 5.00 | 0.85 | 0.84 | 0.83 |
| Job satisfaction | 9 | 1.00 | 5.00 | 0.83 | 0.89 | 0.89 |
| Total ESS | 74 | - | - | 0.97 | 0.97 | 0.96 |

The sample for Year 1 obtained an ESS Cronbach coefficient of 0.97, which is similar to the Year 2 sample. The coefficient of the 13 ESS dimensions for Year 1 sample ranged from 0.91 to 0.33 ($N = 1140$), while coefficients for Year 2 sample scores varied from 0.89 to 0.65 ($N = 920$). The sample for Year 3 scored 0.96, which is closely related to Year 1 and

Year 2 samples. The results of the dimensions' coefficients differed from 0.89 to 0.66 for the sample of Year 3 ($N = 759$).

3.2. Means and standard deviations of the three samples. The results of the mean scores of the ESS dimensions for the three samples are presented in Table 3.

Table 3. Means and standard deviations of ESS for the three samples

| ESS dimensions | Year 1 Sample | | Year 2 Sample | | Year 3 Sample | |
|---------------------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|
| | Mean | Standard deviation | Mean | Standard deviation | Mean | Standard deviation |
| Vision and mission | 2.59 | 1.31 | 3.22 | 1.19 | 3.38 | 1.16 |
| Values | 3.00 | 1.19 | 2.97 | 1.11 | 3.13 | 1.10 |
| Leadership | 2.99 | 1.14 | 2.88 | 1.17 | 3.13 | 1.11 |
| Change management | 2.30 | 1.04 | 2.47 | 1.05 | 2.69 | 1.10 |
| Health and safety | 3.09 | 1.14 | 3.12 | 1.19 | 3.22 | 1.17 |
| Employment equity and diversity | 2.29 | 0.94 | 2.32 | 0.97 | 2.53 | 0.96 |
| Human resource management | 2.11 | 1.04 | 2.24 | 1.03 | 2.69 | 1.05 |
| Training | 2.91 | 1.14 | 2.80 | 1.17 | 3.00 | 1.12 |
| HIV/AIDS | 2.58 | 0.95 | 3.77 | 1.05 | 3.90 | 0.96 |
| Communication | 2.39 | 1.01 | 2.60 | 0.95 | 2.86 | 0.89 |
| Teamwork | 3.10 | 1.20 | 3.14 | 1.17 | 3.29 | 1.15 |
| Relationships | 2.99 | 1.01 | 3.01 | 0.99 | 3.21 | 0.91 |
| Job satisfaction | 2.97 | 1.22 | 3.21 | 1.13 | 3.37 | 1.05 |
| Total ESS | 2.56 | 1.13 | 2.80 | 1.05 | 3.22 | 1.02 |

According to Castro and Martins (2010, p. 7) the research conducted by the Human Sciences Research Council (HSRC) indicated that an average of 3.2 is a good guideline to distinguish between positive and potential negative perceptions. The 3.2 cut-off score was used as a guideline to differentiate between potentially positive and negative perceptions in this study. This implies that a mean score above 3.2 indicated positive perception, while a mean score below 3.2 indicated negative perception of the ESS dimensions.

Table 3 indicates that the perceptions of Year 1 sample were negative with a total mean score of 2.56, which is below the 3.2 cut-off point. This indicates that the participants were generally dissatisfied with most aspects of the organization. These participants perceived the following dimensions extremely negatively namely; human resource management (2.11), employment equity and diversity (2.29), communication (2.39) and change management (2.30). This implies that these participants demonstrated dissatisfaction with the human resource management department with regard to its application of recruitment, promotion, salaries, and disciplinary and grievance processes and procedures.

The descriptive results for the sample of Year 2 are also depicted in Table 3. The overall mean score is 2.80 suggesting that the participants were dissatisfied; these results are similar to the results of

Year 1 sample. Nonetheless, the participants of Year 2 sample did indicate the following few areas of satisfaction in the organization; namely HIV/AIDS programs (3.77), job satisfaction (3.21) and vision and mission (3.22).

The mean scores of Year 3 sample are also indicated in Table 3. This sample's overall employee satisfaction in the organization can be described as positive with a mean score of 3.22. The results of Year 3 sample indicated improvement in several dimensions of the employee satisfaction survey; the participants seemed to be more satisfied when compared to the samples of Year 1 and Year 2. Dimensions of the employee satisfaction survey that the participants of Year 3 sample perceived positively included the vision and mission statement, health and safety, HIV/AIDS, teamwork, relationships and job satisfaction. Similar to the results of Year 1 and Year 2 samples, the employee satisfaction survey dimensions that consistently remained as developmental areas for this organization in the sample of Year 3 were the organization's values, leadership, human resource management, employment equity and diversity, communication, change management and training, which had the mean values that are below 3.2.

Table 4 below indicates overall mean scores of ESS for the three samples. The sample for Year 3 obtained the highest mean of above 3.2 overall, in comparison with the samples for Year 1 and Year 2.

Table 4. Summary of means and standard deviations of ESS for the three samples

| ESS Samples | Minimum | Maximum | Mean | Standard deviation |
|-------------------|---------|---------|------|--------------------|
| Year 1 (N = 759) | 1.00 | 5.00 | 2.56 | 1.13 |
| Year 2 (N = 920) | 1.00 | 5.00 | 2.80 | 1.05 |
| Year 3 (N = 1140) | 1.00 | 5.00 | 3.22 | 1.02 |

3.3. Analysis of variance or t-test. The non-parametric Kruskal-Wallis test was used to test the following hypothesis (see Tables 5 and 6):

There are significant differences over the three years of study of employee satisfaction during organizational transformation in a water utility organization.

Table 5. Kruskal-Wallis test results for three years of study on the ESS (Year 1, 2 and 3)

| ESS dimensions | Chi-square | Df. | Asymp. sig. |
|---------------------------------|------------|-----|-------------|
| Vision and mission | 132.35 | 2 | .000*** |
| Values | 11.41 | 2 | .003** |
| Communication | 86.81 | 2 | .000*** |
| Teamwork | 8.74 | 2 | .013* |
| Relationships | 7.82 | 2 | .020* |
| Leadership | 17.01 | 2 | .000*** |
| Health and safety | 1.76 | 2 | .414 |
| Employment equity and diversity | 29.13 | 2 | .000*** |
| Training | 18.04 | 2 | .000*** |
| Human resource management | 121.95 | 2 | .000*** |
| Job satisfaction | 1489.74 | 2 | .000*** |
| HIV/AIDS | 558.94 | 2 | .000*** |
| Change management | 19.00 | 2 | .000*** |

Note: *** $p \leq 0.000$; ** $p \leq 0.01$; * $p \leq 0.05$.

Table 4 indicates that there are statistically significant differences between the year of study and the following dimensions namely; vision and mission, values, communication, employment equity and diversity, teamwork, human resource management, training, HIV/AIDS, leadership,

relationships, change management and job satisfaction ($p \leq 0.05$ to $p \leq 0.000$). It was only with the dimension of health and safety that there are no significant differences that were evident between the samples of Year 1, 2 and 3 (p -value ≥ 0.05).

Table 6. Mean scores for differences in the years of study for ESS (Year 1, 2 and 3)

| ESS dimensions | Year 1 mean | Year 2 mean | Year 3 mean |
|---------------------------------|-------------|-------------|-------------|
| Vision and mission | 2.59 | 3.22 | 3.38 |
| Values | 3.00 | 2.97 | 3.13 |
| Leadership | 2.99 | 2.88 | 3.13 |
| Change management | 2.30 | 2.47 | 2.69 |
| Health and safety | 3.09 | 3.12 | 3.22 |
| Employment equity and diversity | 2.29 | 2.32 | 2.53 |
| Human resource management | 2.11 | 2.24 | 2.69 |
| Training | 2.91 | 2.80 | 3.00 |
| HIV/AIDS | 2.58 | 3.77 | 3.90 |
| Communication | 2.39 | 2.60 | 2.86 |
| Teamwork | 3.10 | 3.14 | 3.29 |
| Relationships | 2.99 | 3.01 | 3.21 |
| Job satisfaction | 2.97 | 3.21 | 3.37 |
| Total ESS | 2.56 | 2.80 | 3.22 |

The results in Table 6 above indicate that the sample for Year 1 demonstrated more areas of dissatisfaction than the samples of Year 2 and Year 3; with the following dimensions as areas of dissatisfaction namely change management (2.30), employment equity and diversity (2.29), human

resource management (2.11) and communication (2.39). These differences are attributed to organizational changes because after the ESS results of the sample for Year 1, this organization started with the process of organizational transformation by initiating changes.

The following interventions were implemented in the organization as part of the transformation process:

- ◆ *Strategy.* Prior to the ESS, the organizational strategy focussed more on customers and lacking emphasis on the organization's human capital. The organizational strategy was changed with the development of a new vision, mission statement and strategic objectives highlighting building the capacity of employees while creating a customer-focussed culture in the delivery of quality service to customers.
- ◆ *HR strategy* was developed focussing on skills training and development of operational staff. Employees at depot level used to rely on head office to handle their human resources issues; after the ESS human resource practitioners were appointed at all ten depots to provide human resource services. The organization was male dominated due to the nature of the business, hence changes in the HR strategy focussed on creating a diverse workforce at operations, junior and management level by appointing previously disadvantaged groups (namely females and the disabled).
- ◆ *Restructuring.* Corporate services and operations departments were the only departments that were restructured to align with the new organizational strategy. Operations departments had to initiate and implement learnership programs for artisans in the various departments in order to create a diverse and skilled workforce. Corporate services department was restructured to establish a stakeholder engagement division, which is focussed on collaboration between the organization and its stakeholder in the implementation of its strategy (internal and external stakeholders).
- ◆ *Policy development.* The only new policies that were implemented are namely the employment equity; talent management; recruitment and selection; career management; disciplinary codes; and performance management.
- ◆ *System.* The only IT system that was introduced after the ESS was the salaries administration, to prevent problems that were caused by the outdated system such as delays and inaccurate processing. The new system consolidated pay roll in order to meet the demands and needs of employees and HR.
- ◆ *Policy amendments and implementation.* Policies that were amended and implemented are talent management, career management and performance management strategy. The talent management policy highlighted the importance of creating and providing an environment that assist to foster, develop and maintain optimal talent required to address the organization's need to attract and retain skilled employees from previously disadvantaged groups. Career management of employees focussed on assessment of employees' competencies through the skills audit, development of employee career development plans and succession planning in the organization. The performance management strategy was aligned to the new organizational strategic objectives to create a culture of performance and fair rewards system to employees.
- ◆ *Training programs.* Leadership and supervisory development programs were introduced to train team leaders, supervisors and managers from previously disadvantaged groups. The aim was to build capacity of employees at supervisory and management level to be competent in leadership skills such as managing self, projects, people, programs and resources.

Conclusions, recommendation and managerial significance of the findings

The objective of this study which was to conduct a longitudinal study to determine positive changes and differences in employee satisfaction during organizational transformation and to test the achieved hypothesis. Using a longitudinal study that was conducted in a period of three years, it emerged that the employees in Year 1 were less satisfied with their organization prior to organizational transformation. In Year 2 after the implementation of change intervention, the employees' satisfaction levels increased although it was still below the 3.2 cut-off point for the mean score. These results also suggested that employees who participated in the Year 3 sample appeared to be more satisfied with most ESS dimensions compared to those who participated in Year 1 and Year 2 samples. The researchers concluded that the longitudinal study of ESS provides a foundation for continuous improvement during the organization's process of transformation. Therefore, the hypothesis was also confirmed because the results indicated significant positive changes and differences in employee satisfaction during the three years of study.

This organization also introduced the second phase of further adjustments to the policies implemented following Year 1 ESS results; after the ESS results of Year 2 sample focussing on the following aspects:

This study has implications for organizations and managers responsible for addressing issues affecting employee satisfaction during the process of organizational transformation. Firstly, the results suggest that organizations and managers can be able to identify the strengths and developmental areas with regard to employee satisfaction over time during organizational transformation. This implies that organizations can implement transformation and use the ESS to determine areas of improvement. Secondly, they will be able to monitor and track changes relating to employee satisfaction from one point on the continuum to another, as in the three years of this trend study in order to be able to implement relevant interventions. Finally, the findings indicate that organizations and managers are able to compare the results of the different years

of the employee satisfaction surveys. This provides an opportunity for continuous improvement in terms of enhancing employee satisfaction in a transforming organization. As a result, proactive action can be taken to prevent employee dissatisfaction and minimize labor disputes arising from dissatisfaction in the organization.

In terms of recommendations; the focus of future research should therefore be to collect data from other organizations in order to validate the results of this study. With regard to recommendations to the participating organization, the findings of employee satisfaction surveys could be used in this organization to propose interventions aimed at leveraging on its strengths and addressing its developmental areas.

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