

Change management process in Georgian Public Sector Organizations

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Abstract: *Innovations have become common part of modern public service. Complex public problems and increased demands from citizens forced governments to discover better and efficient way of dealing with the problems. Majority of innovations fall under the category of E-governance projects. Despite the stated goals and expected outcomes, the issue is being set on agenda on how municipalities or other governmental structures manage to utilize new approaches and thus increase the quality and efficiency of state organizations. The following article investigates why some projects tend to be more successful than others? It argues that the current outcome is the result of the project implementation process and human nature of change.*

Introduction

In the second half of the twentieth century, world governments have faced great amount of complex challenges. The number and the complexity of the citizens' problems and demands increased. As a result this tendency encouraged governments to address new ways of problem solution. Many countries have moved into the fierce regime of introducing innovations. Attention was focused on both factors – to implement new effective and high-quality policies to solve the sophisticated problems. According to modern approaches, innovations are considered one of the most important ways to increase democracy and productivity.

This research is focused on innovations that enable the government to develop an efficient bureaucratic system and deliver services more creatively. In recent years, Georgian government has moved to implementation of technical and administrative innovations that make public sector work more efficiently and productively. One of the parts of this process has become the introduction of e-governance and implementation of structural changes. Following this tendency, e-governance projects are intensively introduced to local self-governance bodies in recent years in Georgia.

Despite the stated goals and expected outcomes of specific e-governance projects, the issue is being set on agenda on how municipalities or other governmental structures manage to utilize new approaches and thus increase the quality and productivity of state organizations.

Significance of the research topic

Introducing innovation is particularly important and difficult in the public sector, where there is high resistance to changes. In this process of implementing novelty, the first recipients of the innovations (public servants) acquire particular importance. As public servants are first who have to adapt to modified processes on daily basis. In order to achieve the main goals of innovative projects, innovations should be accepted, internalized and mastered by primary users, in this case public servants. This research focuses on how big is the influence of correct change management strategy in the process of implementing the innovation. Can the change management process integrated with project management, reduce the level of resistance and facilitate innovation among civil servants?

While intensively observing public sector, it was revealed that the innovations were not fully mastered and accepted by employees. In the real working environment, two out of the 10 trained employees are mastering the innovation and rest address him/her for applying the innovation to their everyday function. Their motivation to explore and understand innovation is very low. In this case, innovation is less productive, since the service is available at the expense of the people who have perceived the need for the change as the opportunity and not as a peril. As a result employee discerned innovation as an obligatory formal fact that they have to accept in order not to lose their job. In fact they perceived innovation as a problem and not the opportunity that would ease their work. This problem is particularly active and vivid in municipalities.

The scientific significance of the research lies in the following issues:

- 1) First time in Georgian reality the research applies Changes cycle theory and John Kotter's 8 step change model to examine the role of change management process in Georgian State sector.
- 2) The study identifies type of interdependence between Change management process and efficiency of innovative projects in the State sector.
- 3) Based on research findings study has developed the specific recommendations in the realm of Change management process that are particularly applicable for State Sector.

Novelty of the research topic

The novelty of the issue will emerge, especially in the sense that assessment of innovative projects has not been conducted from the public servant's perspective at any central or at local level. Especially there is a great gap in conducting the research on any issue on a municipality level. None of the research have addressed the following questions: which project improved the degree of employees' satisfaction, their involvement in the processes, and the degree of innovation internalization? Whether the implemented innovation simplifies the process of service provision and reduces the time of work performance from the employees' perspective.

Methodology of the research topic

The theoretical framework

The theoretical framework of the research is the Changes cycle theory and John Kotter's 8 step change model.

Research method

Research applies qualitative method to address the problem. Within the qualitative method research uses in-depth interviews.

Data analysis

Data analysis are performed throughout content analysis of qualitative information received from in-depth interviews (using coding techniques).

Sampling

It should be noted that above mentioned three projects were not implemented as full package in all municipalities. Therefore the research covers those municipalities where all three innovative projects were implemented. Consequently, municipalities were selected taking into consideration the following principles:

MMS (Municipal Management System) - The project was implemented in 51 municipalities but not all regions implemented the full package of services. So the list of the services varies from municipality to municipality. Coming out of this reason, research followed several principles while selecting the municipalities:

- 1) MMS (Municipal Management System)
 - a) Services that have been implemented in many municipalities have been addressed. Municipalities which had implemented unified services have been chosen (in addition with other two factors).
- 2) For all projects:
 - b) Consider the geographical factor – cover several regions. (In contrast to the approach to cover several municipalities in one region)
 - c) The research covers those municipalities, whose population exceeds 50,000 people.

In-depth interview participants:

The interviewees of the research are:

- a) Innovation implementers

- b) Managers in local self-governance bodies who are responsible for managing the innovation process in cooperation with innovation implementers.
- c) Employees of local self-governance bodies (municipalities) – primary users of innovation

General description of in-depth interview process:

- On the first stage research addresses assessment of innovations' success.
- On the second stage research assesses the implementation process of the innovative projects.
- On the third stage analyses each project success level in relation to its implementation process.

Research indicators

Indicators used to measure the success of the innovative projects are:

Main Indicator - Level of Bureaucracy

- Sub indicators - Compliance of structure and innovation project
- Sub indicators - Level of independence in decision-making
- Sub indicators – Flexibility level

Main Indicator – Employee work performance quality

- Sub indicators – Time of work performance
- Sub indicators – Amount of work performed
- Sub indicators – Amount of mistakes in work performed

Literature review

Two types of reforms in Georgia

Experts consider that Georgia has experienced two types of reforms since 2003. The pace of reforms implemented in Georgia in the first part of 2003 are features of new public management. Reforms could be divided into three types: 1) Radical changes 2) mixed and 3) Incremental reforms (Bouckaert, 2008).

While discussing reform implementation process in Georgia and former post-Soviet Union countries, a majority of scholars name common problem that serves as a barrier to reform. The main problem is a state weakness (authoritarian face of the regime), weakness of state bureaucracy, government's orientation on short-term objectives, inert societies that do not wish to be actively involved in the processes (Drechsler, 2009).

Changes and innovations in Georgia since 2003 have been mostly revolutionary than evolutionary. Researcher John Borwick uses these terms based on the type of change process. In revolutionary changes, the researcher implies the process in which changes and innovations are introduced because this is a "top management" wish. The implementation process is fast and intense. The main disadvantage of this method is that it prevents internalization of innovation into the organizational culture (Borwick, 2013). The radical and rapid character of the reforms in this period was necessary to make quick radical steps against corruption. The main innovative process driver for public institutions and civil society organizations in Georgia is the Open Government Partnership (IDFI, 2017). In addition, the organization states that despite the current successful projects at the local or central level, municipalities still face challenges in mastering and use of these innovations (IDFI, 2017). We should note that projects implemented within the framework of OGP have clear success indicators for each project. In this case, the main indicators of success are reduced timeframes for issuing services, citizen participation rate and the number of departments that use innovation (2014). "The idea box" is one of the first attempts to make nature of the change process more planned (2017).

Innovation concept and types

The research relies on fundamental papers that concentrate on innovation implementation process in the public sector. To understand the change management, first of all, it is necessary to explain the concepts of change. The change in the organization can be many specific types. Any concrete change concerns the following general concepts in the organization:

- Process
- System
- Organizational structure
- Working role

The need for change will arise in response to a problem or an opportunity. Main goals of the change are to make the organization more efficient and to get closer to the customer (PROSCI, n.d.) (Department of Economic and Social Affairs, 2006).

Other researchers perceive innovation as the novelty in action that works (Altschuler, 1997) (Mulgan, 2003). Bennington and Hartley have interesting discussions about innovations in the context of public sector historical development as well (Hartley, 2005).

Concepts and correlation of the project and changes management

After we have covered the definitions of change and innovation, we should refer to the project and change management concepts.

Project management is the use of knowledge, skills techniques, and tools to satisfy the requirements of the project.

Changes management is the discipline related to the management of the human part of the changes.

The project and change management go in parallel with each other and help organization in a transition from the current situation to the desired change. Change management provides a structured approach for supporting the individuals in your organization to move from their own current states to their own future states. (PROSCI, DEFINITION OF CHANGE MANAGEMENT IN CONTEXT, n.d.). Change management is also named as organizational change management (Salminen, 2000).

Scholars argue about the factors that are obstacles to change and innovations. According to some opinions, these factors are (PROSCI, DEFINITION OF CHANGE MANAGEMENT IN CONTEXT, n.d.):

1. Change Design
2. Technical Steps, Activities, and Resources (Project management)
3. The reaction of staff and resistance to changes (change management)

Tree levels of change management

There are three levels of change management they are as follows: 1) Individual change management - requires understanding how people experience change and what they need to change successfully. It also requires knowing what will help people make a successful transition. 2) Organizational/ Initiative Change Management - Organizational or initiative change management provides us with the steps and actions to take at the project level to support the hundreds or thousands of individuals who are impacted by a project. Organizational change management is complementary to your project management. 3) Enterprise change management - is an organizational core competency that provides competitive differentiation and the ability to effectively adapt to the ever-changing world. An enterprise change management capability means effective change management is embedded into your organization's roles, structures, processes, projects and leadership competencies (PROSCI, Three Levels of Change Management , n.d).

Reactions to change

Change always provokes several types of reactions among organization staff. Change management is a separate discipline because it is a complex process. The difficulty of the process is that the change concerns not only one person but the entire collective, who have various reactions on a change. That is why it is necessary to discuss change management theory in details. From the leadership perspective, it is enough to start the changes and the staff will definitely receive and enthusiastically meet them. It rarely happens so, especially in the Public Sector. Many scholars agree that the resistance to the changes has led to the failure of various innovations (Nitin Nohria, 2000) (Wayne H. Bovey, 2001).

The researcher Cynthia Wittig embodies the three factors that have the greatest impact on the reaction generated during the changes. The researcher notes that these three factors are: 1. Employees emotions and cognition; 2. Communication and 3. Employee participation in the decision-making process. In the final part of the research, scholar says that in the course of the changes it is necessary to measure the reaction to the organizational change. These reactions are changing, and it is necessary to identify these reactions while implementing an innovation. The organization should reveal and respond to the concerns of the employees involved in innovation (Wittig, 2012).

Theories and modes of change management process

In the last decades, in the public sector, it has become necessary to introduce innovations rapidly. In some cases, the innovations do not reach the goal, but rather aggravate, or leave unchanged the existing problem (Hayes, 2014).

There are several change management theories:

The first is “open system theory”

Open systems theory refers simply to the concept that organizations are strongly influenced by their environment. The environment consists of other organizations that exert various forces of an economic, political, or social nature. The environment also provides key resources that sustain the organization and lead to change and survival. Open systems theory was developed after World War II in reaction to earlier theories of organizations, such as the human relations perspective of Elton Mayo and the administrative theories of Henri Fayol, which treated the organization largely as a self-contained entity (SCHNEIDER, et al., 2003).

Group of the scholars like Miles and Snow opposes the idea that perceives change as a condition. They support the opinion which states that change is a process (Raymond E. Miles, 1984).

The second theory – change as a process

Barnett and Carroll further develop the idea of Miles and Snow. They emphasize how big the difference is when we perceive change as a condition and not the process. In this realm, they concentrate on the question of how. How do we lead the change management process? In this case, scholars pay attention to the speed and consistency of change, decision-making process and how this decision is communicated to others. What is the response of people to others behavior (William P. Barnett, 1995,)? Change managers are especially important when we concentrate on the process.

There are approximately 20 theories linked to the change process and scholars focus on four basic theories - teleological, dialectical, life cycle and evolutionary theories (Sun, 2011) (Hayes, 2014).

Teleological theories: assume that organizations are purposeful and adaptive, and present change as an unfolding cycle of goal formulation, implementation, evaluation and learning. Learning is important because it can lead to the modification of goals or the actions taken to achieve them.

Dialectical theories: focus on conflicting goals between different interest groups and explain stability and change in terms of confrontation and the balance of power between the opposing entities.

Life cycle theories: assume that change is a process that progresses through a necessary sequence of stages that are cumulative, in the sense that each stage contributes a piece to the final outcome, and related – each stage is a necessary precursor for the next.

Evolutionary theories: posit that change proceeds through a continuous cycle of variation, selection and retention. Variations just happen and are not therefore purposeful, but are then selected on the basis of

best fit with available resources and environmental demands. Retention is the perpetuation and maintenance of the organizational forms that arise from these variations via forces of inertia and persistence (Hayes, 2014) (Sun, 2011).

All above mentioned theories developed further approaches to change:

Lewin's three-step process

Lewin argued that any level of behavior is maintained in a condition of quasi-stationary equilibrium by a force-field comprising a balance of forces pushing for and resisting change. Lewin suggested that successful change requires a three-step process that involves the stages of unfreezing, moving and refreezing.

Managing change, therefore, involves helping an individual, group or organization:

- 1 unfreeze or unlock the existing level of behavior
- 2 move to a new level
- 3 refreeze behavior at this new level.

The McKinsey 7S model

The McKinsey 7S model highlights seven interrelated elements of organizations, which, when aligned, make an important contribution to organizational effectiveness. It can be used to identify relationships that are misaligned and point to elements of the organization that need to be changed.

The seven elements are:

- 1 Strategy: Purpose of the business and the way the organization seeks to enhance its competitive advantage.
- 2 Structure: Division of activities; integration and coordination mechanisms; nature of informal organization.
- 3 Systems: Formal procedures for measurement, reward and resource allocation; informal routines for communicating, resolving conflicts and so on.
- 4 Staff: The organization's human resources, its demographic, educational and attitudinal characteristics.
- 5 Style: Typical behavior patterns of key groups, such as managers and other professionals, and the organization as a whole.
- 6 Shared values and superordinate goals: Core beliefs and values and how these influence the organization's orientation to customers, employees, shareholders and society at large. Figure 7.5 shows shared values at the center of the model.

7 Skills: The organization's core competences and distinctive capabilities (Hayes, 2014).

Kotter 8 step process

Over four decades, Dr. Kotter observed countless leaders and organizations as they were trying to transform or execute their strategies. He identified and extracted the success factors and combined them into a methodology, the award-winning 8-Step Process for Leading Change.

Step 1. Create a sense of urgency - Help others see the need for change through a bold, aspirational opportunity statement that communicates the importance of acting immediately.

Step 2. Build a guiding coalition - A volunteer army needs a coalition of effective people to guide it, coordinate it, and communicate its activities.

Step 3. Form a strategic vision and initiatives - Clarify how the future will be different from the past and how you can make that future a reality through initiatives linked directly to the vision.

Step 4. Enlist a volunteer army - Large-scale change can only occur when massive numbers of people rally around a common opportunity. They must be bought-in and urgent to drive change – moving in the same direction.

Step 5. Enabling action by removing barriers - Removing barriers such as inefficient processes and hierarchies provides the freedom necessary to work across silos and generate real impact.

Step 6. Generate Short-term wins - Wins are the molecules of results. They must be recognized, collected and communicated – early and often – to track progress and energize volunteers to persist.

Step 7. Sustain Acceleration - Press harder after the first successes. Your increasing credibility can improve systems, structures and policies. Be relentless with initiating change after change until the vision is a reality.

Step 8. Institute change - Articulate the connections between the new behaviors and organizational success, making sure they continue until they become strong enough to replace old habits (<https://www.kotterinc.com>, n.d.).

Barton Cunningham and James Kempling, provide with interesting results of their research *Implementation of Changes in Public Organizations*. They state that the level of complexity of the changes is the same in Public and Private Sectors. The researchers note that the implementation of the amendment does not mean only the persuasive perspectives of the various stakeholders, where our aim is to understand and adopt this change, but change management is the process of negotiations to achieve compromises. This approach is especially important in public sector (Cunningham & Kempling, 2009).

Research findings

The first part – On the initial stage research addresses assessment of innovations’ success in the realm of main and sub indicators

Main Indicator N1- Level of Bureaucracy: While analyzing the programs within the realm of the first main Indicator Level of Bureaucracy - it is notable that:

- a) Sub indicator Compliance of structure and innovation project **was the same in all municipalities and programs (DES, MMS, and HRMS).**

The structure remained unchangeable, innovation was built into existing structure so no structural changes occurred. Innovative projects did not require a new resource or unit to administer any above mentioned programs, but it did not subtract the number of employees in the municipalities either (efficiency is leaning to).

- b) Sub indicator level of independence in decision-making **remained unchangeable in almost all municipalities. With exception of HRMS program**

DES & MMS – Delegating level remained unchangeable in almost all municipalities (level of independence in decision-making, level of delegating the tasks). As an exception from all cases only one municipality’s single unit was given an opportunity to be fully responsible to perform the task independently with the help of the innovative program (the unit doesn’t need a signature of the head of the municipality.). In all other cases delegating level remained unchangeable despite the fact that technically innovative projects could have provided with an opportunity to have high quality of delegation level. But most of the municipalities restrained from using this opportunity. As a result head of the municipality is responsible to sign all the documents that are directed to the citizens or other official bodies.

HRMS - in case of HRMS innovative project decreased the level of delegating the tasks to employees. In one case the reason was that the head of the HRMS program performed all tasks herself as she lacked the skills to operate in new system. In other case the system was in the process of development.

- c) **Main controversy was caused in Sub indicator - flexibility level.**

On this stage research coded positive expressions, emotions and calculated frequency of phrases about the program in the realm of program flexibility and simplicity of usage. A trend became evident, that employees talked about the benefits of the DES program average 4 times more in comparison to MMS and 15 times to HRMS.

Negative aspects connected with flexibility of the program did not observe big dissimilarity between the programs. But still the average number of negative perceptions on flexibility emphasizes the advantage of DES program in comparison with other two electronic programs. To be more precise: the average number of negative phrases on flexibility of DES is two times less than of MMS and one times less than HRMS. (MMS average four negative ideas on flexibility; HRMS average three negative ideas on flexibility; DES average two negative ideas on flexibility ;).

In details:**❖ DES program**

Positive feedback: After the conducted Interviews DES is the leader among the mentioned 3 programs in the context of flexibility.

Employees were delighted to talk about DES. During the interviews employees indicated various benefits of the program in the realm of flexibility, but the paper will concentrate on the most frequently mentioned ones. According to the analysis, 19 times the employees referred the fact that program is very easily administered, practical and shaped to the need of the municipalities.

According to the frequency of mentioned phrases and their context two leading beneficial factors of flexibility were identified

- a) The program is designed to perform comprehensive search about any e-document. The program provides user with an opportunity to observe the detailed comprehensive history of each concrete e document flow and its current status. (Seven times out of 31 comments).
- b) The program provides with an opportunity to change the compulsory date of document accomplishment deadline in case of the special task or delay of information needed from the outer source. (Two times out of 31 comments)

Negative feedback: According to the frequency of mentioned phrases and their context one leading negative indicator concerning the faults of flexibility was identified:

- a) In case of an error, it is impossible to edit the text of the document by the receiver himself without ending or recycling the process. On each error the document receiver writes a comment about the part that is not complete and sends back to the author. Or ends the process because of the technical fault and asks the employee to create a new document.

❖ MMS program

Positive feedback: According to the analysis, employees referred two times to the fact that MMS program is very easily administered, practical and shaped to the need of the municipalities. (Frequency two out of eight)

According to the frequency of mentioned phrases and their context 2 positive leading flexibility indicators were identified

- a) Employees have a full access to the program remotely (when they are out of the office) as well. (Two times out of eight)

- b) In case of an error, it is possible to edit the text of the document by the document receiver himself without ending or recycling the process. (One times out of eight).

Note: The second positive feedback was chosen because the interviewee frequently made comparisons of DES and MMS programs in this context. In that cases indicator “b” was DES’s program’s most frequently named fault. All the rest indicators were mentioned once.

Negative feedback: According to the frequency of mentioned phrases and their context 2 leading indicators concerning flexibility faults were identified:

- a) The program is not designed to present automatically comprehensive information about e-document (is not automatically integrated with DES to generate information about e-document and present the whole picture). The program does not automatically provide you with an opportunity to observe the detailed comprehensive history of each concrete e-document flow and its current status, unless all the connected documents and information requested from other bodies is attached manually to the document history. The procedure is time consuming. Because of these reasons the documents which need more consensus or information from outer state bodies are directed to DES program. (nine times out of 13)
- b) The program is designed to fit just concrete services.

❖ HRMS

Positive feedback: According to the analysis on HRMS, two positive issues were emphasized in total.

- a) The program is better way of performing work, in comparison with the process that meant working with material documentation.
- b) The program provides users with an opportunity to observe the detailed comprehensive information about each concrete employee and his/her work performance history.

Negative feedback: According to the frequency of mentioned phrases and their context one leading indicator, concerning flexibility fault, was identified:

- a) The program is complex and not easy to administer. (Two times out of five)

Main Indicator N2– Employee work performance quality

According to the second main Indicator - Employee work performance Quality - the research revealed that:

- a) *In the realm of the Sub indicator — time of work performance —* in all municipalities the time for administering documents was reduced. As there is no baseline study about the amount of time

needed for administration of material documentation, the study addressed the collection of these data as well. Employees stated that average time of their work performance was halved.

- b) *Sub indicator – amount of work performed* – In all three programs amount of the work performed increased in comparison to old way of material documentation flow. But the level of increased work is the highest in DES program. Next is the MMS and the last is HRMS program.
- c) *Sub indicator – amount of mistakes in work performed* – is directly connected with mastering and internalization of the program. In most of the cases, the number of mistakes decreased. Except of two cases where the programs were not introduced as piloting programs. In one case the respondent redirected the question and didn't give any answer about the MMS program. In the second case it concerned HRMS program where employee directly stated that it increased the number of mistakes.

Conclusion of the first part

To sum up the first part of the research DES program is at the top of successfully implemented programs chart. It has distinguished with a sub indicator of flexibility, time and work performed.

Next comes the MMS program which had more problems with flexibility but ranked higher in positive realm of flexibility in comparison with HRMS. Here it is important to mention that the level of flexibility varied in two municipalities. Piloting Municipality which had high level of communication from the very beginning of the innovation idea ranked higher in contrast with other municipality which had serious problems in conveying their ideas to the implementer, or who had not been involved in process of its development and received innovation as a readymade product.

And the last program that had shown some improvement but less success in relation to mentioned above two innovative projects was HRMS program. It is very interesting fact that in both cases the program pre implementation phase was ignored. The program was ready made, and employees were not involved in idea generation or other stages. Despite the fact Program scored slightly high in one municipality as employee perceived change as an opportunity and not a threat.

The second Part: Process assessment

On this stage research address the process how innovative projects were implemented, in order to discover if implementers used change management steps.

Change management steps were covered randomly by all program implementers. Here the quality of using change management approaches varies from program to program.

❖ DES

DES implementation was the nearest to the principles of change management and John Kotter's 8 step model. DES pre implementation and implementation stage was the longest among three programs. Des was created in communication with employees. The drawback of this part is that just one or two employees were leading the change, not the whole team. Most comprehensively implementers of DES covered the following steps:

Step #1 established the sense of urgency; Implementers of the DES innovative program had conducted number of meetings and discussions with employees explaining why it is important for them to meet the challenge. And what are potential threats in case innovation is not applied.

Step # 4 communicating the change (which implies to involve the team or several representatives in developing the idea of the innovative project). While developing the innovative project DES implementers perceived employees as the most competent persons to develop a procedure (because they do it in practice). In piloting municipality implementers had conducted pretests for finding out the drawbacks of the program.

Step #5 empower a broad base of people to take action. On this stage implementers worked tightly with employees on enhancing the skills for program administration with the help of trainings. Simultaneously they addressed emotional barriers of resistance in the team. In this case motivation was increased by implementer about performance success (they remarked about successful municipalities.), but later this motivation was not addressed and encouraged by municipality. During the interviews employees talked with enthusiasm about the fact that their performance was accesses as successful. In these cases they felt more motivated to use the program better.

Step #7 Consolidate gains and producing even more change. Implementers had continued the communication on development of the program with the employees working practically on a program. The communication mechanism is flexible and each drawback is ameliorated in a short period of time.

- ❖ **MMS** – Implementers avoided some change management stages. Three steps which were used, had been applied in less comprehensive manner:

Step #1 —establish the sense of urgency — in two cases implementers comprehensively covered the stage like in DES. While it was ignored in one municipality. As a result of drawbacks on this stage, employees in three cases couldn't understand the need of implementing both programs (MMS DES) simultaneously. (In favor to DES)

Step # 5 - empower a broad base of people to take action – on this stage implementers worked less intensively with employees on enhancing the skills for program administration with the help of trainings. In two cases out of three, employees wished to have additional trainings. Practical work on the program disclosed essential need for additional information and skills to operate. In addition motivation part was only supported by implementer but not by the municipality.

Step #7- consolidating the gains and producing even more change - was most deeply covered by implementers. Implementers had continued the communication on development of the program with the employees working practically on a program. But in contrast with DES the communication mechanism is **perceived as not flexible**. Employees emphasized that currently they have to email about the problem to the service desk. In contrast to the past experience when they could communicate about urgent problem on a phone. It is considered as time consuming and inconvenient in realm of problem solution. Sometimes they need urgent help and this instrument is not perceived as helpful.

- ❖ **HRMS** – the study discovered that the HRMS implementation process lacked more change management stages than any above mentioned programs. In addition those stages which were applied to the process were less comprehensively addressed:

Step #7 Consolidate gains and producing even more change - implementers had continued the communication on development of the program with the employees but with less intensity than in all above mentioned programs. None of the municipalities were invited to communicate the change and contribute to the development of the innovation. Mostly implementers concentrated on resolution of existing problems than more complex view of the program development. In majority of the municipalities, there is a communication tool that enables employees to address the implementers in case of complaints or problems, but in one municipality it is perceived as an inconvenient tool. Head of the HR Department complained that no one asked her about the idea what she considered to be the drawback of the program. "Nothing is done for making the program internalized in the organization" - she remarked.

Step #4 communicating the change – in one case implementers involved limited number of people in developing innovative project. But their involvement could be assessed as formal in nature as employees were not having pretests or intensive discussions for finding out the drawbacks of the program. Simultaneously despite the fact that employees are having trouble with the new program the factors of resistant and emotional barriers are not addressed.

Concluding remarks

The study findings discovered that innovation (DES) which was assessed as the most successful and experienced the highest degree of internalization among the state employees - had most intensively involved change management process in its pre implementation and implementation stage.

The level of success followed the intensity of change management process in other two programs as well. MMS was assessed as more successful than HRMS but less in comparison with DES. As an illustration of the statement, it should be emphasized that MMS covered more steps in Change Management than HRMS, but less than DES.

And finally innovation (HRMS), which was revealed as the least successful and suffered with low internalization among the employees, ignored more change management stages than above mentioned programs. The analysis showed that the rest of the steps which were involved in the process of implementing the program, were less comprehensive in manner.

The analysis of in-depth interviews stresses the idea that there is an interdependence between Change management process and success of innovative projects in the State sector. As indicated above level of innovation success was directly proportional to the intensity of change management process.

On the basis of the information received from the analysis, study developed recommendations in the realm of change management process that are particularly crucial for State Sector.

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- Intensively work with employees explaining them the urgency and need for change - unless public servants perceive an innovation as a threat to their equilibrium and not as an opportunity to address the problem. Arguments for change urgency will draw a clear scenario for need to change, thus promoting internalization of the innovative project.
 - Clearly planning with them steps to change (their needs and their ideas) - as innovative project is a substitute of old ways of performing the work, public servants should be intensively addressed for designing the innovative idea. Employees possess most valuable practical knowledge about the process to which innovative project should be applied to. Involving public servants in planning process will result in increased compatibility level of the innovative projects, simultaneously leaving less space for unpredicted shortcomings. In addition in this case, employees feel dedicated to the innovative project and the project's internalization level is higher compared to the cases when this stage is omitted or addressed less comprehensively.
 - Piloting the first version of innovation and asking employees what has to be improved - the interviews revealed that the innovations which were in testing mode before implementation, reflected the needs of public servants. In the piloting process public servants are given an opportunity to provide implementers with their ideas and recommendations that modifies and completes the innovation. As a result innovation is precisely shaped to their needs and employees use its full potential. Innovation is not something distant vice versa it is very familiar and practical.
 - Providing with more practical skills – as the interviews revealed trainings in public sector are more formal in nature (Abashidze, 2015). In some cases, training sessions are very brief and theoretical. In other cases leadership involves fewer people in the trainings because of the “lost time” while employees are attending the trainings. In some case training was not conducted at all. In these circumstances public servants are not able to use innovation and mostly suffer from the new ways of performing the work. In majority of the cases several employees master innovation and the rest will wait for their help. This hinders the process and complicates their work performance. Public servants expressed their desire to have trainings after project implementation as well, as most of the difficulties and questions arise in the real process while using innovation.
 - Strong will and the increased role of top management - innovative top management that is actively involved in change management process is especially crucial for public sector. Interviews showed that in municipalities where top management had a conscience awareness of why municipality needs an innovation and was eager to equip implementers (and public servants responsible for implementation), with certain power to implement the project, marked high in mostly all indicators. In case of HRMS project the head of HR department had formal support from the head of the municipality but in reality practiced no real power to promote the cooperation among employees. That turned out to be one of the main reasons for innovation failure. Some of the top managers just “followed the stream” and implemented the innovation

without much awareness why they needed it. That resulted in decreased motivation to of employees as well.

- Fighting emotional barriers before and after implementation of innovative project – despite the fact that innovation might be put into practice, there still remain employees who have emotional barriers about it. Some employees experience fear because they could not get enough skills to operate in innovative project. Some still resist the notion of novelty because of their conservative nature. Other employees still could not realize why there is a need for the certain innovation, because implementers omitted the stage in change management. The reasons causing emotional barriers might be different, but it is obvious that employees should overcome them in order to use innovations' full potential. Dissatisfaction, fear, confusion and other feelings prevent employees from perceiving innovation as a practical tool to deal with the problem. Employees feel forced to obey the change and have less motivation to use innovation in its full potential. Fighting against emotional barriers is equally important before and after implementation process.

This study has several limitations which point to future research. The data are limited to the research of public servants and does not address consumers of the service. Second, in some cases interviewees restrained themselves from being open while talking about problems, because of the fear and stress to lose their job. Third, intense rotations in the state sector limited the number of interviewees who were involved in the process of implementation.

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