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Electronic Business Management

IMPLEMENTATION OF CHANGE MANAGEMENT WITHIN THE MEMBERS OF LITHUANIAN ELECTRONIC COMMERCE ASSOCIATION

Master thesis

Supervisor -
prof. dr. Tadas Limba

Vilnius, 2020

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1

LIST OF TABLES

LIST OF FIGURES

LIST OF ANNEXES

CONTENT

INTRODUCTION

Relevance and Level of the investigation. Management principles of different areas of business conduction are changed since the word "progress" has been known. Development of Information and Communication Technologies has prompted a vast number of changes related to electronic business. Inadequacy of models applied in change management and current market requirements can determine the decrease of competitive ability for the business organizations in the ICT business environment, what might cause loss of potential markets. (Davidavičiene, 2008). Despite understanding the change management models, it is very important to apply an exact model under specific Lithuanian market conditions to get the most effective result in change management incorporation. There are numerous researches conducted in the field of electronic commerce and management. According to Paton & McCalman (2008) there are three phases in management models. Implementation phase is the final step. It means, the implementation effectiveness is the result of the whole change management process. The authors highlight the effective implementation of change management principles. These principles could be applied in Lithuanian association of electronic commerce. However, it depends on the environment in which each member of the association operates. Management systems which were developed in the twentieth-century are inadequate for today's dynamic environment (Kaplan & Norton, 2001). The authors claim that the implementation process always goes along with environment analysis to make successful transformational processes within the enterprise. To use an appropriate technique of change management, the previous experience of change management implementation of members of Lithuanian electronic commerce association should be analyzed.

Novelty. The question of change management implementation is a wide-spread issue. A big number of companies have already used change management models and principles to solve organizational problems within enterprises. However, there are still lots of companies which are members of the Lithuanian electronic commerce association which deal with the same issues and can not overcome such challenges due to insufficient knowledge of the implementation process. Having the research, based on the environment in which member companies operate and former experience of change management application will enable possibility to start the change management adoption process for companies in the most effective way. Furthermore, a wide specter of cases has been targeted, so that not only local cases of Lithuanian electronic commerce association are taken into consideration, but also foreign successful practices of change management implementation.

Research problem. Members of Lithuanian electronic commerce association work under ICT development and its challenging conditions. Despite the fact that there is a big

number of solutions which have been proposed and adopted by companies which are operating in the area of e-commerce, there are still numerous obstacles to be overcome in effective implementation of change management techniques. So, the effective implementation of change management techniques by Lithuanian electronic commerce association is a problem, as some companies still fail to implement change management.

Purpose and objectives. Purpose of this study is to research an implementation of change management in Lithuanian electronic commerce association.

To reach the **purpose**, following objectives should be targeted:

1. demonstrate a notion of change management and its implementation influence towards organizational issues of the enterprise.

2. understand the change resistance concept and the ways to overcome it as well as define the formula of organizational changes.

3. analyze already existing change management models and its best practical implementation within enterprises in the electronic commerce area.

4. prepare a theoretical framework based on the analysis of scientific literature to convey a case study of Lithuanian electronic commerce association.

1. To fulfil the **first objective**, following data collection methods should be used: document analysis

2. To fulfil the **second objective**, following data collection methods should be used: document analysis

3. To fulfil the **third objective**, following data collection methods should be used: document analysis

4. To fulfil the **fourth objective**, following data collection methods should be used: document analysis and qualitative analysis with the help of the company managers whose companies belong to Lithuanian electronic commerce association.

Object. The object of the master thesis is change management

Methodological framework. The research is carried out with a help of the usage of qualitative research methodology, applying structured expert interviewing methods. Research includes the data received on the operational basis of Lithuanian electronic commerce association. Since the research includes a questionnaire for members of Lithuanian electronic

commerce association, quantitative research was made to find out the results after the implementation of change management solutions. Qualitative analysis allows us to raise the data at a more extensive scale where a structured expert interviewing method was used to broaden the knowledge of the research problem.

1. INTRODUCTION TO THE CONCEPT OF CHANGE MANAGEMENT AND ITS APPLICATION IN ENTERPRISES. NEUROLEADERSHIP PRINCIPLES AND COMMUNICATION AS THE ASSISTANT ELEMENTS ALONG THE CHANGE PROCESS.

1.1 Introduction to the concept of change management and its application in enterprises.

Business environment is very dynamic in today's world. Change management is one of the notions which assist to adopt change within the organization. Nowadays, there are some change management strategies which have been recently presented. Change strategy deals with differentiation between the old state and the desired state and implications to feel those gaps (Anderson and Ackerman Anderson, 2010). The theories, models, and concepts of change in organizations offered by management as a scientific discipline serve primarily to streamline ideas about complexity of real management systems. These models and concepts can provide practical assistance to the employee in structuring and formulating complex internal organizational problems. In case a change specialist tries to use insufficiently substantiated recommendations to solve existing problems, it will be nearly impossible to find out if the organizational restructuring measures would be a real success. Despite the lack of clear evidence of the effectiveness of organizational change, it is clear that an organization that does not invest in change compromises would risk its ability to survive in the market. On the other hand, the desire for change alone is not a guarantee of survival or competitive advantage. Benefits and conceptualization are not fully planning and not every measure of organizational change over time brings success to the organization.

According to the statistics below which was outlined in 2019, it is clear that the percentage of effective organizations which successfully implemented changes is relatively low.

Few organisations are highly effective at change implementation
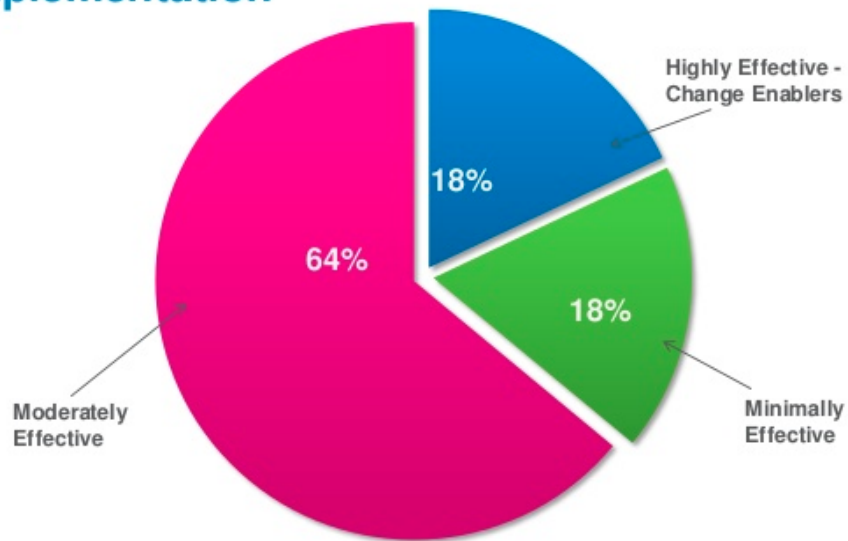
Figure 1. Percentage of effective change management implementation

Thus, let us deep-dive into the following concept and try to understand what are the critical success factors which affect it. So what is change and how to use the methodology and methods of change management at all levels of the administrative hierarchy?

As we all have already heard that the notions of restructuring, reforming, transformation are actual terms that are strongly used in the lexicon of politicians, representatives of governmental institutions and managers of all levels within the administrative structure (Lee, 1980).

These are the terms that have a lot of things in common. We use these notions to proceed with restructuring the society, reforming the economic systems, transforming accounting, restructuring industrial enterprises. Thus, we manage change.

If we define "change" as the difference from the previous state, the replacement of one by another, transformation, then according to the hierarchical structure, these processes can proceed in two main directions - through adaptation and through development (Hayes, 2002).

In the first case (this case is much more common in the practice of transformation at all levels of ecommerce in Ukraine) - changes occur due to growth or contraction due to replacement without significant improvements of the whole system. Finally, changes occur

through improvements that are substitutions in the elements without changes in the general structure or changes in main principles.

In the second case, changes through development occur through transformation, that is built through external action: renewal, innovation, through change of principles or all configuration and self-development (by changing basic concepts).

There are external and internal factors of change (Vega-Jurado, Gutierrez-Gracia, Fernandez-de-Lucio & Manjarres-Henriquez, 2008).

External factors arise in the overall and working environment of the firm. For example, the Asian currency crisis of the late 1990s and the turmoil that other countries have been causing have led to a decline in production in many industries and companies. Concerning the political and legal sphere, new laws and regulations, court decisions also affect the firm's activities. New manufacturing technologies may emerge that merit implementation in the technology area. The economic sphere is affected by inflation, cost of living and money supply. The socio-cultural sphere, reflecting human values, determines what types of goods and services will be in demand on the market.

The work environment creates even more tangible drivers of change. Competitors influence the activity of the organization through its pricing policy and product range. For example, let's imagine that Compaq company lowers its price on computers, then companies such as Dell and IBM that produce similar products are also forced to reduce it. Since it is consumers who determine what types of products and at what price to produce, the firm must take into account their tastes and preferences. Suppliers influence the organization by raising or lowering prices, as well as offering other products. State regulation also has a significant impact on the organization. If it is concluded that some production types are hazardous to workers, then the company is forced to close the plant until steps are taken to ensure that the production conditions meet all safety standards. Unions can make a difference if they fight for higher wages or strike.

Internal factors. Various factors within the organization also cause change. Such factors, in particular, may be the decisions of senior managers. The decision of the small online computer store to conquer the domestic computer market or the decision to increase sales at any other company by 3% also lead to many organizational changes. Some internal factors are a reflection of external ones. For example, if sociocultural values change, then the attitude of workers to their work may also change and they will require changes in the work schedule or

working conditions. In this case, despite the fact that the factors are of external origin, the organization faces internal problems.

It is advisable to pay attention to the following factors of organizational change (Arbor, 1999):

1) Information change is a necessary, albeit limited resource for organizational change.

2) Individual counseling and "therapy" are seen as partially successful attempts to overcome some of the limitations that only relate to information provision. However, they are also limited in the sense that the implementation of new ideas about organizational change is quite necessary for the executor.

3) The influence of the leadership group is seen as perhaps an even more effective approach to organizational change.

4) It is seen as a dissemination of the concept of leadership groups to change the behavior of employees and the organization as a whole. The best result is achieved when these concepts are aimed at adapting changes in individuals' behavior to the organizational climate.

5) It is believed that group coaching produces good results and is a kind of symbiosis of individual coaching and social psychology of the organization.

6) Survey results as a means of feedback. The leader discusses the results of opinion research and other relevant data with direct performers to improve personal relationships and the relationship between roles within the organization.

7) System changes are seen as the most effective approach to organizational change because they are based on the direct manipulation of organizational components.

In order to understand the context of organizational change, not only talent, but also special skills and competences that can be divided into two classes are required: managerial and personal (individual). Managerial skills and competencies should include the ability to analyze, critically evaluate the situations under study and to implement the planned. For example, without the ability to carefully analyze the current situation, there will always be a temptation to "jump over" to ready-made solutions. It is difficult to identify the main and secondary elements of a situation after performing context analysis without critical thinking skills. The process of change will be reduced to planning task without the ability to act and realize the intended process

Personal skills include the ability to cope with difficulties, develop sensitivity (sensitivity, clarity of perception) and self-awareness. The ability to overcome complexity with a high degree of sensitivity and a sense of context allows the initiator of changes based on managerial skills to prepare the scene for strategic change, which allows to see the whole picture of what is happening in a meaningful and clear majority of members of the organization.

Mastering these skills makes it possible not to confuse the symptoms with the true causes of the problems encountered, to clearly represent the consequences of their actions.

Reorganizations of various kinds affecting people is one of the challenges as well. Expectations about the effect of staffing reductions not only reveal the processes of organizations' recovery, but also affects specific people and their families. In today's environment such difficult decisions are made on a daily basis but their consequences must be taken into account, especially in the long term.

In addition to these abilities and skills, it is necessary to be able to influence people, to understand the organizational game, the force fields and mechanisms of reconciliation of interests. An important individual skill is the ability to understand others' thoughts, passions, preferences and experiences. How people look at an organization often depends on their attitude to organizational change. It is necessary to learn to understand the personal paradigms through which employees look at the one that surrounds their organizational reality.

The content of changes within strategic management is the first and foremost regular assessment of the external environment in which the organization operates, makes projections and defines goals. Content often depends on the context of the changes.

The main subject of change research is change technology, that is information about how it is implemented and how it is derived.

The model of technological process of organizational change can be represented by three interconnected blocks (Arbor, 1999).

Table 1. Model of technological process of organizational change
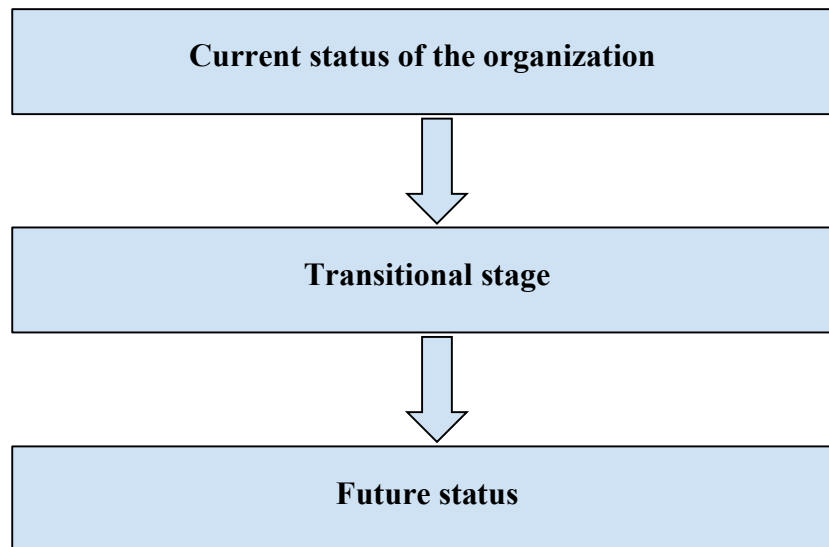
From the current state 1, the organization, under the influence of the initiators of change and in accordance with the strategy selected, goes into the desired state (3). The process is carried out through the transition stage 2.

This model should be viewed from different perspectives: at the level of individuals and at the level of structure, systems and procedures, as well as from the standpoint of the usual organizational climate.

Considering this, we can outline a few types of changes and understand how they respond to them from the organization's staff.

The first type of change is incremental, the changes are gradual, evolutionary, the effect of such changes on the organization is usually small, and the resistance from the staff is small.

The second type is significant changes. They are characterized by abrupt changes in organizational structure, technology, technology, etc. The implementation of these is associated with great effect, but the breakdown of stereotyped approaches in the organization, sustainable forms and methods of management usually causes a backlash from the staff and great resistance.

It is crucial to distinguish between partial and radical changes. As we know, partial changes are based on existing value systems, structures and processes. In the course of partial

transformations, the practical suitability of the project is the core but not the unconditional achievement of the ideal (conceptual) state. The need for radical change arises from the rapid development of the environment inside or outside the company after a long phase of stability and neglection of the necessary adaptation steps. Such a "revolutionary process" of change is designed for the purpose of achieving competitive advantage. It may be strategically desirable, but we always have to take into account that it will cause strong resistance from staff.

In general, any changes in management, organization, technology, mean disruption of the usual order, discomfort, tension, causing the uncertainty for people and fear of getting rid of the usual work. It is a natural behavioural reaction as most of us prefer to work and live in peace and stability.

Organizational changes include three main components - context, content and process (Carr, Hard & Trahant, 1996).

We are aware that contextual analysis is very important for the development of any strategy. Thus, defining the right direction for the implementation of strategic changes through study of external and internal organizational context is simply a mandatory step.

In the context of change, there are two components - external and internal. The first one is the political, economic, social and technological spheres in which the organization operates.

The second one is the structure, culture, capabilities and potential of the organization, as well as the system of power distribution and influence in organization.

Depending on the initiators, the following types of changes are distinguished:

1) internal:

• top to bottom (top executives);

• bottom-up (ordinary employees or lower-level managers);

2) External. This type consists of actions from experts of consulting firms who provide organizational consulting. Such practice is a separate form of business outside the original company

Each type of change has its advantages and disadvantages. Successful planning and implementation of any change requires the usage of all three approaches in one way or another. The actual correlation of the types depends on factors such as the time and resources available

to effect change, experience and culture of the organization, rules and procedures adopted therein.

The table below lists the advantages and disadvantages of all three types based on the source of the change.

Table 2. Change types and its advantages and disadvantages

Internal source of initiatives		External source of initiatives
Top to bottom	Bottom - up	Experts of consulting firm
Advantages of each approach		
Ensures compliance with the specific conditions of the particular organization (in terms of management)	It connects a wide range of skills and knowledge, promotes ownership and increased responsibility	Offers the best practical solution
Planned in advance, elects a course of action	Self-sufficient	The objectivity of the view is not limited
Advantages of each approach		
Best for short or medium term changes	Best for long or medium term changes	All kinds of changes in their duration
Suitable for radical change	Suitable for gradual changes	All kinds of changes in their depth
The disadvantages of each approach		

16

Success depends on the competence of senior management	The process can get messy (unmanaged)	Lack of understanding (interest) in local change
Subjectivism is possible	Subjectivism is possible	
It may not be enough to inspire and motivate employees	It may lose focus, focus, or ignore priorities. It may take a long time	The decision made does not take into account the uniqueness of the organization; can be artificial. It can be expensive
Does not take into account all the details of the practical activity of the organization	It depends on the supporting structure and culture	There are often implementation issues

Source: Prepared by author based on Managing the Change Process, 1996.

According to McLean Bourda (2013), Proci company analyzed the majority of the approaches described above and created its own methodology, called Prosci's change management methodology which includes several steps that should be followed by the project team to implement the change. Prosci's change management methodology consists of three phases: preparing for change, managing change, reinforcing change. These three steps allow us to achieve smooth implementation of change. Implementing change management methodology, Proci company has successfully used change management in its organization.

1.2 Importance of communication along the change with supporting elements of neuroleadership

One of the most important elements in the managerial area is communication. Ever since the contemporary world of business began, the notion of communication has always been closely related to any kind of business activity. It impacts a wide range of business issues such as productivity and job satisfaction (Ruhet Genc, 2010) This element fosters itself as an integral

part of any kind of side of business science. If there is business, there must be communication. However, as close these elements could be, as hard it is to apply various range of techniques in order to enable synergetic connection among them in real life. That is why science should be observed as an additional element to simplify so-called "cooperation" between business and communication, bridging the gap with the help of neuroscience. Neuroscience might provide a completely new specter of problematical views to this topic as well as assistance to find the most relevant solutions, considering the human brain as a key instrument which can lead to successful communication in the world of business.

Since ancient times, people have been trying to understand the human brain to get the information of working mechanisms inside of their heads. However, in ancient Egypt, scientists considered the human heart to be the center of intelligence. Later on, scientists researched how complex and advanced the human brain is and decided to assume that this is the part of our body which let us use our intellectual and communicative abilities. That is how neuroscience was established. Thinking and imagination became additional human abilities studied by scientists which helped communications to be used effectively by humans (Borck & Cornelius, 2016).

According to the study conducted by Rezarta Hasanaj and Mimoza Manxhari, communication and its influence on the neuro level of the participants of the change could be the core within any reform (Hasanaj & Manxhari, 2017).

Nowadays, it is a well-known phenomena that communication activity triggers various areas of the nervous system. There is a famous quote published by Financial Times journal: "The possibilities of neuroscience are almost limitless". This is definitely a true statement. Social neuroscience and cognitive accuracy are widely used in business activities nowadays. There is a vast range of organizations which are operating with cognitive accuracy. Such kind of companies will tend to respond more precisely to their market and withstand market pressures as well as achieve higher level of employee job satisfaction (Bailey & Charles, 2007). Thus, such organizations reach a much higher level of performance than their competitors.

According to business communication survey conducted by uSamp Research in 2015, only 3% of the respondents believed that communication does not impact their daily tasks at work.

Figure 2. Communication impact

Neuroscience opens us new opportunities to effective usage of communication in change management by understanding how the communication process goes through our brains which uses the biophysical operation and conciseness specters to launch the communication program in our heads (Clapson &Philip, 2016). This is a very difficult process which is no more a challenge for scientists and could be beneficially used in the psychological side of the business in order to get the successful communication during negotiations with potential business partners.

In order to understand the meaning of the notion of communication, it is necessary to look up for some of the most common definitions by academic scholars. Thus, according to Baguley (1994), communication is "the process that occurs when ideas, information and feelings are conveyed between individuals or groups of individuals for deliberate purposes". However, keeping in mind the relevance of neuroscience and communication, it is not possible to say about the information, ideas and feelings but it is also necessary to mention strong emotions' connectivity. The other source defines business communication as "the

communication required of an organization in both its internal and external environments"
(Boone, Kurtz & Block, 1997). Business internal communication can be divided in three
sections: upward with superiors, downward with subordinates and lateral with peers when
external communication could be used between customers and service suppliers (Ruhet Genc,
2010). In order to communicate the message linguistic and non-linguistic means could be used
to trigger emotions and thoughts for effective communication results.

Negotiations have always been one of the leading key elements in the business world
as a part of internal communication. In fact, successful negotiation result could be determined
by the communication efficiency which based on human psychology and neuroscience
(Mažeikienė, Peleckis & Peleckienė, 2012). In order to receive the winning position during the
business meeting, not only the empirical side of business knowledge is important, but also the
scientific one. The thing is that our nervous system and psychological activity should be
understood in order to reach desired results during the contact with other human beings. In
order to perform it well, one needs to master basics of communication to be able to read
nonverbal and verbal communication signs and expressions which are all based on
psychological and neuroscience basis. It is extremely important to know these principles in
order to clearly provide the information and resist the manipulations which should be
recognized in order to reach desired objectives and aims during the negotiations. Besides, the
internal communication which deals with meetings and negotiations, there is also an external
way of business communication which is not less important than the internal ways. These ways
could be used along with neuroscience, especially positive psychology and neuromarketing.
Most of the advertising messages are directed to communicate the message about the product
and trigger the sense of positive emotions which will create the delightfulness and happiness in
our minds. It is planned that during the next time when the customer will be faced with the
product, the human senses will give the signal to the brains which will occur positive emotions
one more time and memory will help to remember the feeling of delightfulness and happiness
which customer had explored during the advertising impact. This chain of sequences will
increase customers' awareness as well as further loyalty and result into purchase of the product.

Successful business practices have always been using in its arsenals such kinds of
notions like neuroleadership, neuromarketing along with the general neuroscience concepts. A
huge specter of international corporations is directed to these elements in order to get more
profits and successfully achieve the desired goals. Every advertising is directed to our senses
and emotions. According to tests conveyed in neuroscience and psychological areas, it was
revealed that bad is always stronger than good (Neuroscience in Business, 2017). That is why,
today we tend to see more and more social advertising directed to negative emotions which are

recorded by our memory a way better than positive. Thus, organizations which want to communicate a message to their target market will benefit enormously, since the potential customers are going to remember delivered information for a longer period of time. This technique is popular nowadays and widely used as the part of the neuromarketing concept. This side is already well known and used to increase social awareness of certain topics or increase the company sales rates of different products. It is widely used as a part of the company's external communication unit. However, not everyone knows about social manipulations which could be caused by the same concepts. This concept is well known by the phrase "brainwashing" which originally comes from psychopolitics. Unfortunately, this technique has been used not for the business purposes but for the political aims in order to create political instability in certain countries, communicating propagandistic messages, etc (Kenneth Goff, 1979). The brightest example could be Soviet Union and communists' society. In fact, the human psychological vulnerability is not used in one hundred percent of the cases, but we should be aware of those small percentages that it could be. Neuroleadership concept is a way more positive and is the key solution for change management techniques. Neuroleadership could be explained as the synergy of the science of the brain with leadership behaviors, letting to easily implement effective change opportunities within an organization. Neuroleadership could help us to find out the impact to emotions and behaviors which is the vital thing to be known, since employees' behavior and emotions are closely related to success or failure of the organization (Tobias Kiefer, 2011).

To sum up all the information highlighted in this part, it is necessary to state that neuroscience and effective business communication are two integral parts for change application within the business activity system. Neuroscience determines cognitive accuracy. It could be positively reflected into organization, as the element which can increase working performance and bring high satisfaction levels for employees. According to the article from Neuroleadership Journal, this will help to understand the social process in the company to empower leaders with strong support tactics to smoothly drive the change with minor resistance (Ringleb, Rock & Ancona, 2014). Our brains, minds and words are tightly connected, forming one complex system which usage could be beneficially used into various range of business activities. However, the most important is to keep in mind the words by George Bernard Shaw: "The single biggest problem with communication is the illusion that it has taken place". So, let communication be always our key to success but not an illusion and apply this element to drive the change.

2. CHANGE RESISTANCE CONCEPT AND THE WAYS TO OVERCOME IT.

There is always some resistance on employees' level when making certain changes. Resistance to change is associated with a disruption of the continuity of structure and power, anxiety that manifests in the non-constructive reaction of staff in response to the unknown and the associated potential threat, including loss of control.

As we can see on the table below, 70% of the change process steps are pure technical resistance. This brings the need to gradually analyze and predict the steepness of the curve in order to smoothly adopt the change with the greater effectiveness.
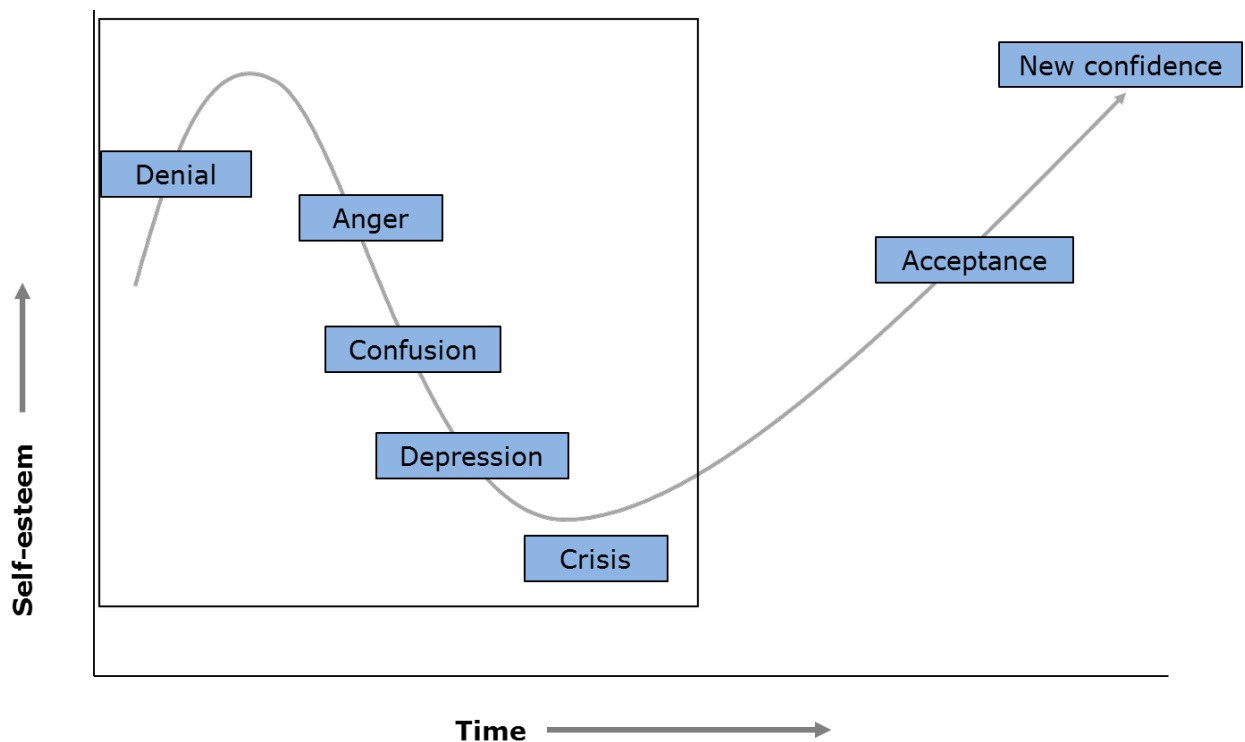
Source: Meliorate portal, 2011

Figure 3. S-curve of change resistance

Changes in organizations are always accompanied by resistance. Both of these phenomena can be called universal. Although organizational resistance to change is inevitable, it is not only a negative phenomenon as it is often interpreted. In essence, organizational resistance is the reaction of the social system to the influence which is considered to be a natural response.

This is one of the natural phenomena of the life of an organization that should not be avoided. It is inappropriate to struggle with it but try to understand and use it to manage change in the most efficient way. Effective change management is an understanding of the resistance

often faced after certain implementations. Managers need to know why people resist change and how this resistance can be overcome. Usually, people resist change from three major reasons:

- uncertainties;
- feelings of loss;
- the belief that change will make a negative impact.

The concept of uncertainty needs no explanation. A person may be concerned and resistant to change simply because of uncertain consequences that might occur. When a person suspects a threat to his or her security, he or she reacts consciously or unconsciously, expressing his or her negative attitude to change. It is usually described by dysfunctional behavior during the period of change.

The second reason for resistance is the feeling that change will lead to personal loss, that is, a lesser degree of satisfaction of any need. For example, workers in manufacturing may find that innovations in technology such as high levels of automation will lead to redundancies or disruptions in social relationships. In fact, employees resist not changes in technology, but changes in social and human relationships that usually accompany technological progress.

The third reason for resistance is the belief that change is not necessary or desirable for the organization. It usually happens when companies concentrate on one specific segment of customers and then try to expand the market with the help of different products. Such a process would face the fear that the change might divert the firm from its main customer segment and face sales drops.

Conflict-free implementation of changes in the conditions of cooperation of the whole team is an exception rather than a rule. Changes which come from the top management of the enterprise (for him it is a new chance) are treated with the positive perspective due ot the fact that change is a new opportunity for management. Unfortunately, changes are associated with danger for the rest of the employees and are evaluated differently. Resistance to change can have different strengths and intensities (Leavitt, 2004).

Each participant perceives organizational changes differently. Therefore, science and practice have accumulated a number of techniques and methods to overcome the resistance to organizational change, which are highlighted in Table (Cameron & Quinn, 2011).

Table 3. Methods of Resisting Organizational Change

Methods	Preconditions	Advantages	Disadvantages
Training and provision of information	Insufficient or incomplete information on expected changes	Possibility of conscious support	The long process of engagement of large numbers of people
Involvement in the project	The presence of strong leadership	Integrates and enriches the concept of innovation	It may take a long time
Encouragement and support	The presence of a motivated incentive system	Reduces individual resistance	It requires a lot of time, money and often does not produce the expected results
Negotiations and agreements	Fluctuations and not stable position of groups that resist	Reduces the level of active resistance relatively easily	It is time consuming, frustrating for some social groups that do not participate in the negotiations

Personnel reshuffle and new role creation	Qualified staff availability	Support for changes	There may be problems in the future, increasing tension in the team
"Visible and invisible" coercive measures	An acute shortage of time and the availability of appropriate authority	Quickly overcomes any resistance	Contributes to the growth and accumulation of dissatisfaction

Source: Prepared by author based on Diagnosing and Changing Organizational Culture, 2011.

In my opinion, the manager should not be afraid to face inevitable resistance. While there is no ideal solution, there are several ways that can help in this situation.

Involvement. Involvement is often the most effective way to overcome resistance to change. By participating in the planning and implementation of changes, employees can better understand the reasons for such changes. As a result, it decreases uncertainty and threats towards social relationships. Being able to express their own views and understand others' positions, employees perceive change with understanding. A classic example of the effect of complicity in the case of change is the research conducted to change the manufacturing technology of one of the factories in Virginia. Four groups took part in research. Two groups that were actively involved in the planning and implementation of the changes actively endorsed these changes and were quite satisfied, unlike other groups that did not participate. 3M Company claimed that it helped to save major financial assets by involving employees in several organizational changes.

Interviews. Notifying employees of the causes and expected results of changes being made can also reduce their resistance. Open communication, therefore, can minimize uncertainty. Caterpillar has used all of these methods to reduce resistance under internal redundancy process conditions. Initially, the reasons and the expected positive result of the changes were explained to the union representatives of the automotive industry. Then all the

other employees were explained what measures and when they would take and how changes would affect each employee in particular.

Caring for employees. It is also important to help employees. For example, implementing only the changes that have been communicated in advance allows people to become accustomed to new ways of doing business, so it also helps to overcome resistance. One of the managers of the regional office of Prudent Insurance Company spent several months developing a detailed plan for changing the work schedule and equipment in the workplace. Then, he was fully engaged in the implementation of the plan and together with a team of workers moved furniture in the office over the weekend. Once employees arrived on Monday morning, the manager observed a range of hostile behaviors which were caused by unexpected changes. Thus, all the changes were cancelled.

Comparison of arguments of different parties. In most cases, the arguments are both in favor and against the changes that managers must take into account when making changes. The manager's job is to maintain a certain balance in which arguments for change would outweigh arguments against it. This is especially important when attempting to prevent or at least minimize the impact of factors that impede change. Let us imagine that Chrysler decided to close one of its plants. Three arguments are in favor of this decision as Chrysler might need cost reductions, has excessive production capacity and outdated equipment. At the same time, there is some resistance on the part of the trade union due to the fact that workers may be left without work. Therefore, Chrysler must firstly persuade the union to close based on the data around the consistent efficiency and loss. The company must then propose a plan for the unemployment and training support mechanism for the dismissed workers. Then the plant could be preserved with the possibility of modernization in the future. This will result in mitigation of three major obstacles of the change. Thus, resistance is an inevitable phenomenon that always accompanies organizational change.

The solution is to understand the nature of resistance and effectively drive the change. It is important to know the main causes of resistance to change and to use various techniques and methods to overcome resistance.

A special role during organizational changes belongs to the personnel evaluations which is to assess the results of work over a certain period, business and personal qualities of the employee. It identifies potential opportunities to continue an employee's job at a particular location or move him / her to a higher or lower position.

The most reliable combined assessment of the quality of employees takes place in the process of personnel certification. It combines the advantages of all methods by assessing the complexity and quality of work, professional and qualification level with determining the prospects of employee growth. During the the process, it is possible to analyze the qualities of the employee and establish a measure of conformity of their level of qualification with the requirements of the position occupied. In doing so, it is possible to assess employees as individuals but not just the results of their activities. It is a precondition for a comprehensive assessment of their qualities.

The tasks of staff evaluation is to assess the results of work for a certain period, evaluate employee's business and personal qualities. This will help to identify potential opportunities to continue the work activity of the employee on the current role or move such staff member to a higher or lower position.

Depending on the purpose of the appraisal, it can be final, intermediate and special (Evans, 2004).

Final certification is a comprehensive assessment of an employee's work over a specified period (usually five years). However, successes in the past are not a guarantee in the future, so the final assessment should predict the behavior of a person in difficult situations that might happen in the future. This is used to successfully manage expectations by holistically assessing all the highlights and lowlights that happened along the employment period for the particular employee.

Intermediate certification is carried out regularly over relatively short periods of time. It is applied to workers, junior service personnel and newcomers. The results of the interim evaluations are the basis for promotion and review of the remuneration systems.

Special appraisal is organized in regards to special circumstances (training, dismissal, appointment to a new position, etc).

The main forms of professional development are professional training, upskill and advanced training of employees.

Professional training of employees. Its essence is to obtain the professional knowledge and skills necessary to perform the job responsibilities in the workplace. It can be both general (concerning the organization as a whole, its internal and external environment, management) and specialized (refers to ways of performing certain functions, technological processes,

methods of performing the work). It often starts with the career of an employee within the organization.

Staff upskill. Its task is to expose full-time employees to acquire new professions, knowledge and skills. The upskill is carried out relating to specialized units in the organization's specialist training center or in a specialized training center outside the company. The choice of directions and content of the upskill derives from the main strategic directions of activity of the organization, its personnel development policy as well as individual characteristics of employees.

Training of employees. This plays a particularly important role in staff development. Improvement of qualification is the training where employees receive a certain education, aimed at consistent maintenance and improvement of their professional knowledge and skills. Process management of trainings is one of the leading areas of activity of personnel management services within the organization. The need for it is naturally and objectively conditioned by the development of productive forces. In such circumstances, the qualification level of the employee must meet and even be higher than the requirements of technology of production and economic processes as well as management processes. Training approach should include regular, at least every five years trainings for management, specialists and senior staff members of the organization.

This form of training may improve the general qualification of employees and increase the level of qualification of employees to the requirements of positions (additional professional education in order to expand professional skills, etc.).

An effective form of employee training is mentoring. It is an individual process under which junior workers are assigned to highly skilled, experienced professionals in order to impart work and life experience, knowledge and skills. Such form of advanced training takes into account the category of employees, the content and level of their special training, previous forms of advanced training, etc.

Staff training should be systematic, pursuing a specific goal. As a rule, it depends on the characteristics of the staff. It is advisable to systematized training with a separation from production for professionals with experience who are in short supply of new technological, organizational, psychological knowledge.
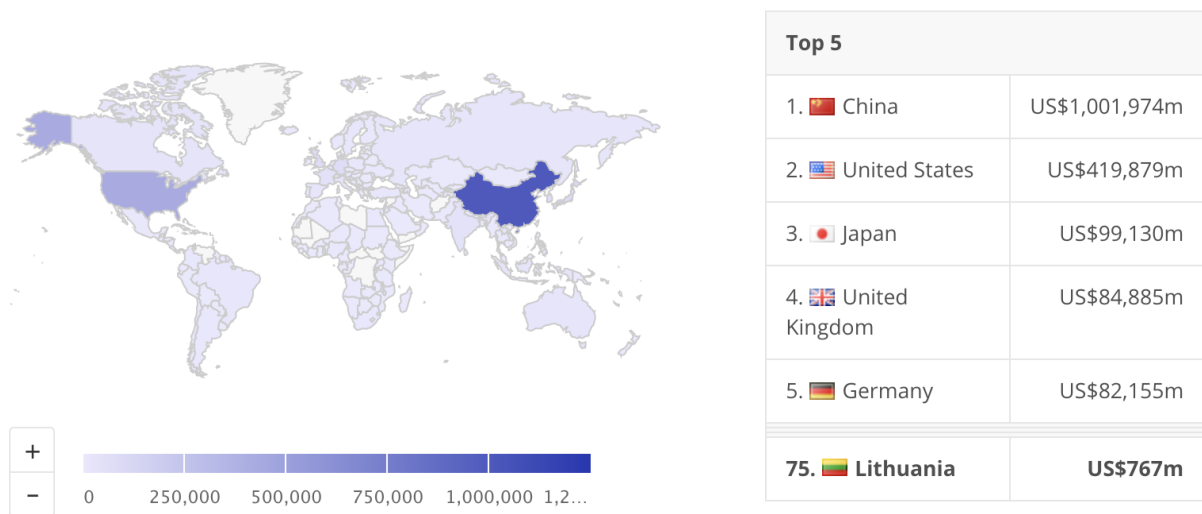
In general, a wide arsenal of forms and training tools for employees deepens strategic objectives of staff development, understanding the content of this process, the effective use of

its components. However, the ultimate goal is to prepare the employees for the potential changes which technically happen on a daily basis in an ICT environment.

3. CHANGE MANAGEMENT MODELS AND ITS EFFECTIVE IMPLEMENTATION.

Effective change management could be reached via certain models adoption. Change management models should be chosen depending on organization and desired kind of change. There is a vast scope of models which could be applied within the enterprise. Most models are not oriented towards rapid changes (e.g. five forces model), but others (P. Strebel's matrix model (Strebel 1996)) are relevant for achieving fast change adoption results (Davidavičiene, 2008).

As we can see in the statistics below, Lithuania is currently on the 75-th place on global e-commerce ranking.

Top 5	
1. 🇨🇳 China	US$1,001,974m
2. 🇺🇸 United States	US$419,879m
3. 🇯🇵 Japan	US$99,130m
4. 🇬🇧 United Kingdom	US$84,885m
5. 🇩🇪 Germany	US$82,155m
75. 🇱🇹 Lithuania	**US$767m**

Source: Statista, 2020

Figure 4. Global e-commerce growth in 2020

The slight growth in revenue was caused in the new environment created by Covid-19. This change was rapid and the majority of the change models are not designed to deal with it. It brought a lot of challenges for e-commerce in Lithuania and needed quick solutions and preparations to manage the change in order to adapt to the new market demand. Existence of the adequate models to deal with such rapid reforms could have eliminated the risks and business losses that numerous companies experienced under the adaptation circumstances.

It is important to distinguish different models by its scope of usage and impact. Change Management Maturity Models are focused on management process, competence, and practice to lead the change when Change Capability Maturity Models have a much wider focus across the whole organization system and all the elements that impact or influence change (Declan Kavanagh, 2019). The following models can play the key role in leadership development.
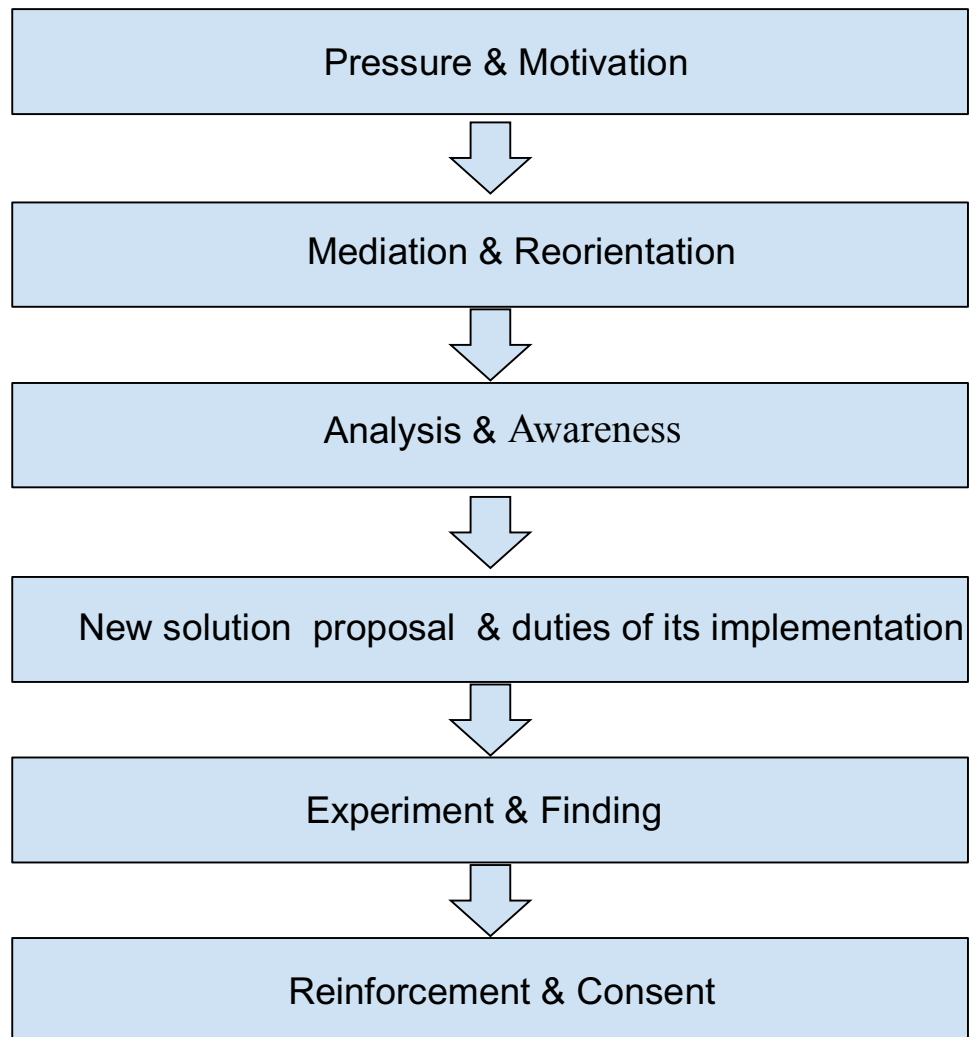
Change Management Maturity Models help companies to obtain high-level industry change analysis with a help of surveys and benchmarking. It helps to reduce change program failure rates and guide organizations to build maturity and agility that can help under today's challenging ICT environment. Capability Maturity Models is defined as company wide system ability where change management is holistically analyzed and dissected as the separate key element of the system as such.

Whenever change management solutions are targeted as the key elements of a company's development, it is vital to start with the bigger picture of the challenges that might occur during the process. Organizational changes cannot be carried out suddenly without deep and comprehensive preliminary work of various employees. The process is made on the basis of well-developed structures and reasonable measures.

The American scientist, Greiner has developed a model for managing organizational change. The six stages of the model characterize, on the one hand, the influence on the management structure, on the other, the reaction of management structures to this influence and development of some counteraction (Mimbang, 2015).

Table 4. Model of the process of organizational change management


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┌─────────────────────────────────────────────┐
│              Pressure & Motivation             │
└─────────────────────────────────────────────┘
                      ↓
┌─────────────────────────────────────────────┐
│            Mediation & Reorientation           │
└─────────────────────────────────────────────┘
                      ↓
┌─────────────────────────────────────────────┐
│               Analysis & Awareness             │
└─────────────────────────────────────────────┘
                      ↓
┌─────────────────────────────────────────────┐
│  New solution  proposal  & duties of its implementation │
└─────────────────────────────────────────────┘
                      ↓
┌─────────────────────────────────────────────┐
│              Experiment & Finding              │
└─────────────────────────────────────────────┘
                      ↓
┌─────────────────────────────────────────────┐
│             Reinforcement & Consent            │
└─────────────────────────────────────────────┘
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Source: Prepared by author based on Greiner Growth Model, 2015.

Stage 1. Pressure and motivation.

During the first step, management must understand the need for change. This pressure may be caused by external factors (competition, changes in the economy or the emergence of new legislation). A sense of change may come from a change in internal factors (productivity decline, cost overruns, staff turnover, dysfunctional conflict and significant number of worker complaints).

Stage 2. Mediation and reorientation of attention.

Although management might feel the need for a change, it may not be able to accurately analyze problems and make changes properly. There may be a need for external consultant services capable of objectively assessing the situation.

Stage 3. Analysis and awareness.

At this stage, management collects relevant information and identifies the true causes of problems that require a change in the current situation. Determining the scope of the problem leads to awareness of specific problems.

Step 4. New solution proposal & duties of its implementation.

Once a problem is identified, management looks for a way to improve the situation. In most cases, management must also seek the consent for new actions from those who are responsible for its implementation.

Step 5. Experiment and finding.

The organization rarely takes the risk of making major changes at one go. Istead, it will test the planned changes and identify hidden issues before implementing large-scale innovations.

Step 6. Reinforcement and consent.

The last step is to motivate people to accept changes. This can be achieved by convincing employees that change is beneficial both for the organization and staff itself.

Talking about alternative change models, it is worth mentioning K. Levin's three-step model of change management. It became the foundation for further research by scholars in the field of change management.

Table 5. K. Levin's Three-Step Change Management Model
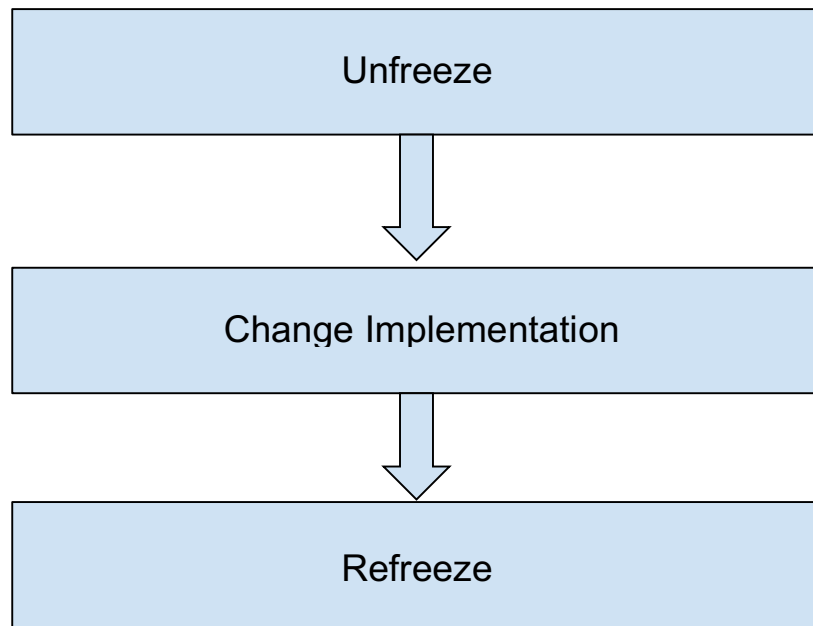
Kurt Lewin proposed the model which consists of the following steps:

● Unfreeze (assess the situation; increase force; reduce resistance) based on the use of force field analysis.

● Change implementation and desired type of transformation (encouragement of employees; development of new requirements; implementation of changes).

● Freeze (institutionalization of change; reward for desired result).

The main mechanisms of transformation by K. Levin:

"Unfreeze" means overcoming old stereotypes, moving away from frozen concepts established within an organization. Forming a need for something new requires a certain amount of anxiety or dissatisfaction. Thus, in order to start changes in a stable system, it must be artificially destabilized. For an unstable system, especially if it is unstable for a long time, it is necessary to overcome employees' lack of confidence in the possibility of positive change. In any case, the main thing at this stage is the "unfreezing" of the top management of the organization and belief that the old ways of activity have already exhausted themselves.

"Change implementation" is a central stage in the process where both management and employees try to practice new relationships, working methods and behaviors. It is the process

of piloting an innovation to move from an ideal innovation model to a real and possible model within the company. This stage involves two steps (By, 2005):

- "identification" when participants of the process test the proposed innovations;

- "internalization", or "adoption", when the internal acceptance of changes takes place by the participants of the. Here, general goals and principles of innovations are translated into specific personal goals and norms.

It does not matter whether these changes occur sequentially or simultaneously, it is important to understand that they require high involvement of employees.

"Freezing" occurs when participants in the innovation process put into practice the changes that have been tested and evaluated as effective.

According to R. Beckhard's model, any program of change is based on the following principles (Beckhard, 1969):

- setting goals which organization wants to achieve as a result of change;

- assessment of the current situation in the light of the set goals;

- determining what measures are needed in the transition period;

- Developing a change strategy based on an analysis of the factors that may affect it.

Researchers also look into D. Nadler and M. Tushman's model to deep dive more into behavioural impact on the change. The following model is based on these instructions for the actual implementation of changes (Nadler & Tushman, 1997):

- motivate to achieve changes in people's behavior;

- manage the transition by implementing organizational changes aimed at maintaining control during and after the transition as well as developing and conveying a clear image of the future;

- shape the political dynamics of change to create power centers that will support rather than block change;

- to ensure the stability of the structure and processes that should keep people engaged. Organizations and individuals may find it too uncertain and turbulent.

According to Quinn (1996), the approach to strategic change can be described as the process of artificial mixture of behavioral force-mapping techniques designed to ensure consistent, step-by-step progress. This process is centered around primary goals that are constantly being refined and modified as new information emerges. It is better to call this integrative methodology "logical incremental change". Quinn emphasizes the following needs:

- gradually build awareness and commitment;

- expand political support;

- to manage coalitions;

- empower leaders.

Taking into account all the previous options, we can conclude that there is no single effective model of organizational change management, so it is necessary to choose the model that will meet your requirements and will be suitable for the enterprise. A possible combination of existing models to achieve the goals might be recognized as the relevant approach for specific businesses.

Modern approaches and models of change management can be divided into two groups:

1. Models that use a process approach to carry out planned changes. This implies a clear management function, strict adherence to the plan and control;

2. Models aimed at the development of the organization as a whole, using interaction with employees and characterized by openness of communication processes.

Sometimes, the second change management group might be neglected and this might lead to changes being transformed into "hard" ones. It happens when the human factor, organizational culture are ignored and no attention is paid to the need to involve employees in the change project. Modern management has begun to adopt an adaptive approach and often the organizational sequence of changes is not adhered which leads to a decrease in their effectiveness.

4. RESEARCH ON CHANGE MANAGEMENT ADOPTION, BASED ON OPERATIONAL BASIS OF THE MEMBERS OF LITHUANIAN ELECTRONIC COMMERCE ASSOCIATION.

4.1 Research methodology

Issue of the research. Members of Lithuanian electronic commerce association work under ICT development and its challenging conditions. Despite the fact that there is a big number of solutions which have been proposed and adopted by companies which are operating in the area of e-commerce, there are still numerous obstacles to be overcome in effective implementation of change management techniques. So, the effective implementation of change management techniques by Lithuanian electronic commerce association is an issue, as some companies still fail to implement change management effectively.

The object of the research. The object of the master's thesis is change management and its effective implementation.

Goal of the research. The goal of this study is to research an implementation of change in Lithuanian electronic commerce association and propose relevant solutions to increase the effectiveness of change management.

The tasks of the research:
- demonstrate a notion of change management and its implementation influence towards organizational issues of the enterprise.
- understand the change resistance concept and the ways to overcome it.
- analyze already existing change management models and its best practical implementation within enterprises in the electronic commerce area.
- prepare a theoretical framework based on the analysis of scientific literature to convey qualitative analysis of Lithuanian electronic commerce association.

The qualitative research method. The research is carried out with a help of the usage of qualitative research methodology, applying structured expert interviewing methods. Research includes the data received on the operational basis of Lithuanian electronic commerce association. Since the research includes a questionnaire for members of Lithuanian electronic commerce association, quantitative research was made to find out the results after the implementation of change management solutions. Qualitative analysis allows us to raise the data at a more extensive scale when a structured expert interviewing method was used to broaden the knowledge of the research problem.

4.1.1. Organization of the research

Sample size problematics in quantitative research was well analysed. The qualitative research is more challenging to be defined in terms of the sample. However, twelve responses were collected by sending the questionnaires and three interviews were conducted to formulate the sample for the research. Since, these methods had the lack of response from non-management staff, one direct observation was applied to see the behavioral impact and response during the communication of the changes at one of the companies.

All the experts were members of the Lithuanian electronic commerce association and operated in retail. All of the information was found on the Internet via different channels and each member was personally approached. The experts were asked to provide the insights on change management effectiveness within their organizations, challenges and current painful topics related to change adoption.

The questionnaire was sent to fifteen experts but three of them considered to refuse to participate due to the topic irrelevant for their business. Upon the investigation, this happened due to the fact that rejected surveys came from sole business owners and change management insight as well as communication principles were impossible to be investigated.

Survey was formed from eleven questions. It included: three open-ended questions, seven closed questions and one multiple choice question. Closed questions consisted of "Yes", "No" as well as "Not always" answers. One of the questions included five multiple answers choices with the sixth option to provide an open answer.

The first four questions were stacked together due to the similar pattern of the answer, including the "Not always" option.

In the first question, respondents were asked to provide the answer regarding the availability of the clear vision while communicating the change. This helped to understand companies long term strategies regarding the changes.

In the second question, company representatives were asked if they struggle wiht effective communication of the changes.

In the third question, respondents were asked to inform if the employees are involved into change processes

In the fourth question, respondents were asked to provide the answer regarding the revenue loss due to the change management

In the fifth question, respondents were asked to indicate multiple preferences regarding the ways in which they communicate changes.

The sixth question was provided to the respondents to get an open answers about the structure of the communication used along the change process

In the seventh question, the respondents were asked to indicate if they were aware of the change management models .

By eighth question, the respondents were aimed to provide the answer regarding the start time of the change roll-out.

In the ninth question, the respondents were asked if their companies had specific employee responsible for change management

In the tenth question, the respondents were asked to answer if there was any support mechanism for your employees after the implementation of the change

In the eleventh question, the respondents were asked to indicate the support mechanism if such existed

All the questions were provided in the form of the survey to the survey personally to each respondent via the channel of email.

4.1.2. Characteristics of survey respondents

Twelve experts were chosen in the role of respondents:
● Expert 1: Marketing Specialist. Field of activity - retail of electric appliances.
● Expert 2: Company Representative. Field of activity - food retail.
● Expert 3: Head of the branch. Field of activity - informational technologies.
● Expert 4: Marketing Manager. Field of activity - outsource software development.
● Expert 5: Owner and Director. Field of activity - retailer of household appliances.
● Expert 6: Owner and Director. Field of activity - retail of electric appliances.
● Expert 7: Owner and Director. Field of activity - wholesale of electronics.
● Expert 8: Senior Business Partner. Field of activity - banking.
● Expert 9: E-commerce Manager. Field of activity - finances.
● Expert 10: Senior Lead of Marketing. Field of activity - travel services.
● Expert 11: Director. Field of activity - retail of cosmetics.
● Expert 12: Co-owner and Director. Field of activity - sports equipment retail.

As long as the objective of this research is change management and the goal is to analyse its implementation in Lithianian electronic commerce association, the experts are allowed to be from different fields of electronic business.

4.2. Data analysis

Since qualitative research consists of eight closed questions, those questions are analyzed with the help of the application of quantitative method. Depending on the answer of

the question, it could help to evaluate the actual challenges that companies have and possible change management models that could be recommended. If the number of replies is more than a half we can reject or accept problematic questions.

First question: do you have a clear vision while communicating changes?

It is clear that driving the change requires the vision before the implementation process. According to the replies, the majority of the respondents have the long term strategy. It is important to mention that respondents who replied with the "Not always" option belong to the small business sector.

As a result, the main part of the respondents do have the vision, so this might not be that crucial for their operational improvement along the change process.

Number of replies
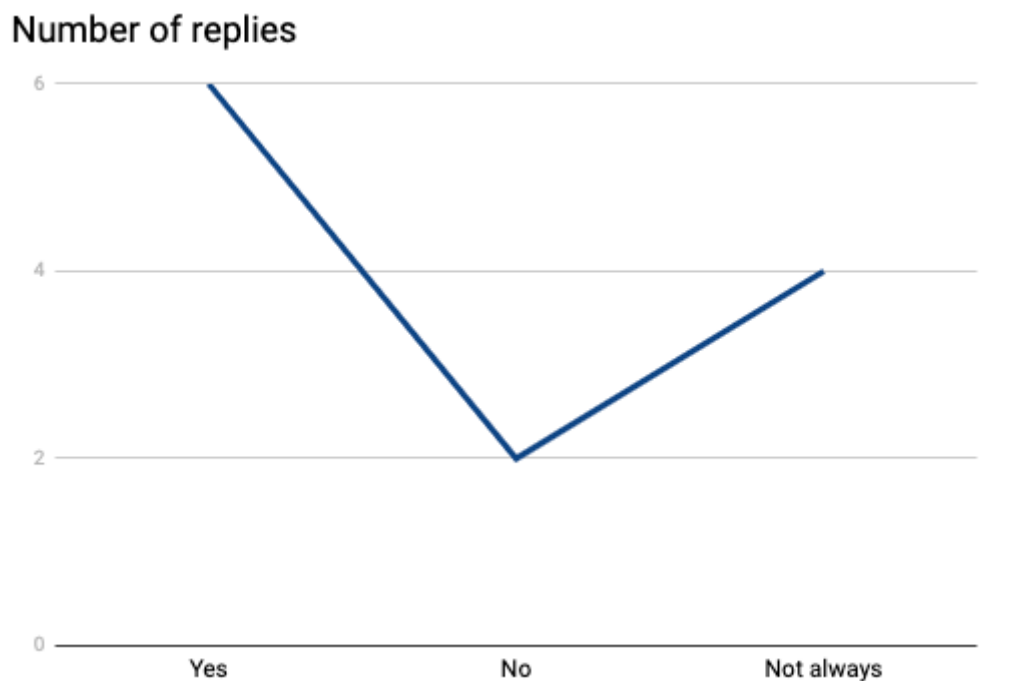
Figure 5. Vision of change communication

Second question: Do you struggle to effectively communicate updates?

This question aimed to understand if the respondents were struggling at some stages with the communication of the change. It is quite expected to see that 66.% of the answers are positive.

To sum it up, this is the challenging part of any change and companies should be at least aware that this is the milestone that needs to be always prioritized while planning any kind of reforms.
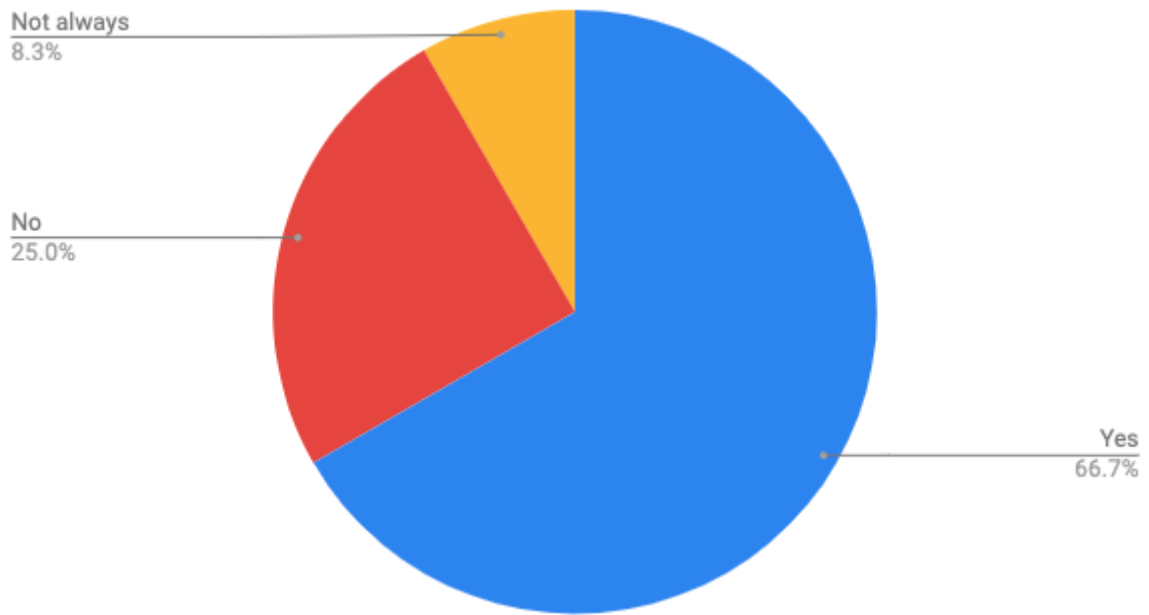
Figure 6. Struggles to effectively communicate updates

Third question: Is company staff involved in the change process?

As described in Chapter 3, staff involvement decrease the resistance of change. As we can see from the chart below, four business units try to involve their employees while the majority of the companies still go with the top-down models.

In summary, we can state that this might bring us the focus are to increase employee involvement in the change process
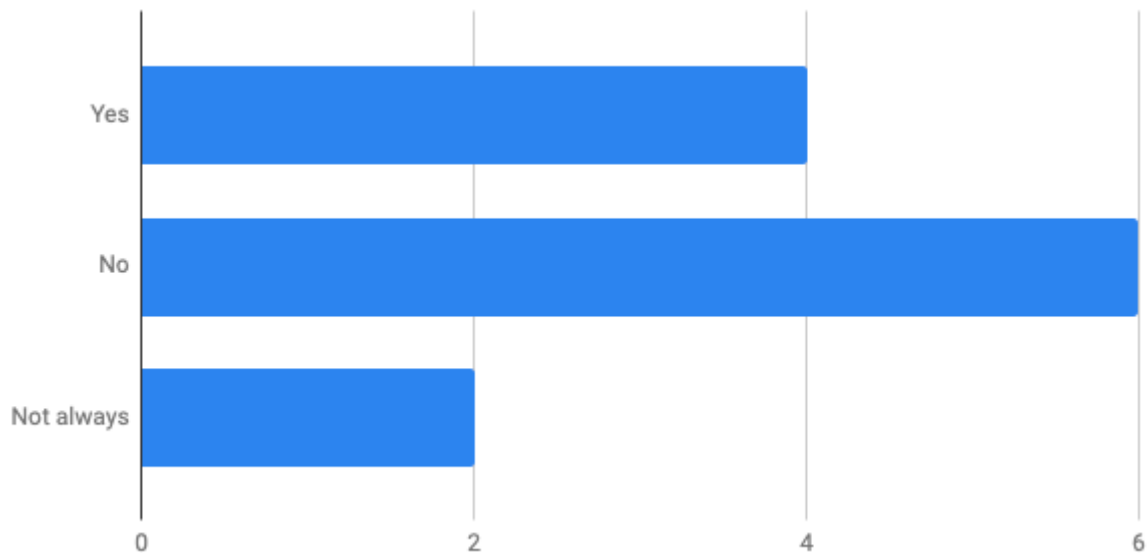
Figure 7. Involvement of staff in change process

Fourth question: Have you experienced revenue loss due to the changes?

Since change might be disruptive to the organization, there is always risk that it can lead to revenue loss. However, we can't clearly state it from the current question as the answers were equally distributed. It is important to mention that this question does not specify the amount of loss and thus could be comprehended differently depending on the size of the business. **To sum up**, clearly see that there is a potential to reduce business loss for at least half of the respondents.


Figure 8. Revenue loss due to the changes

Fifth question: How do you prefer to communicate changes?

This question is based on the five options that were available for the employees. As we can see, the majority of the respondents indicated emails and team meetings alongside with platform based channels. Expert 8 from the banking sector also indicated "Other" and typed down the following: "We use blue jeans tool for the meetings with our stakeholders from the other branches prior to conducting the team huddles." This answer could be treated similarly as the platform based channel.

As a result, we clearly see that emails, team meetings and platform based channels are the key communication channels used in the change management process based on the survey.

To conclude, we can outline that respondents consider emails, team meetings together with platform based communication channels as the as the most widely used approaches to communicate change,
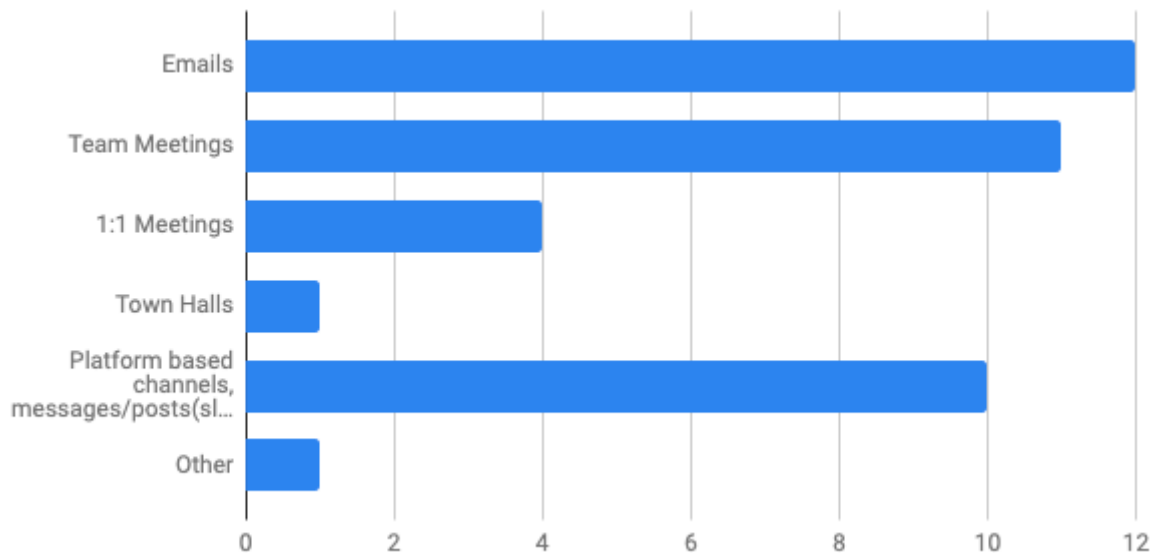
Figure 9. Involvement of staff members in change process

Sixth question: What is the structure of your communication?

This question was an open question, that is why due to more time consuming nature only seven out of twelve. Since we still got the reply from the majority of the respondents, we can use the data for our research. Upon analysis, a specific pattern of the answer by the majority of the respondents was tracked and Expert 10, Senior Lead of Marketing in the travel industry outlined it in the clearest way: "We receive the communication from the senior management which is communicated to us and the we pass it to our local teams." Regardless of the complexity of hierarchy of the companies, it was obvious that all the changes are communicated in a top-down manner.

To sum up, we can see that top to the bottom change is more efficient for short or medium term changes (Carr, Hard & Trahant, 1996). However, this leads us to the risk that long term changes might not be implemented efficiently, despite the fact that long term vision exists (Figure 5.)

Seventh question: Are you aware of change management models?

This question was aimed to better understand if the targeted companies are aware of change management models. Since qualitative criterion was prioritized, each "Yes" answer had the extra information in brackets to bring better insights of the answers. As we can see all the respondents are well aware about the models but do not really use them. This can bring the hypothesis that companies still stick to specific patterns which could be outlined but current existing models are not really tailored for their businesses

To sum up, all the respondents are aware of the existence of change models but do not use them. This could be a developmental area to help those business to highlight specific

patterns in their change approaches and closely apply those solution to increase the effectiveness of the change .
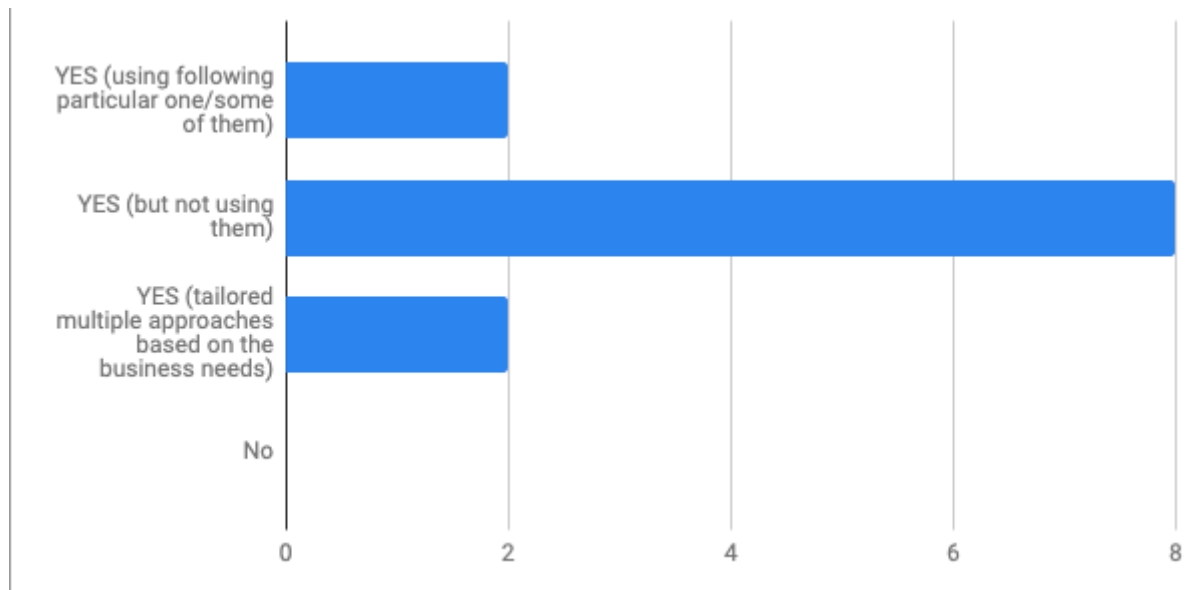
Figure 10. Awareness of change management models

Eighth question: When do you start rolling out changes?

Since e-business has to quickly adapt towards new curves on the marketer, it is important to find out the time when the company understands the need of the change and follows up with the actions. Quick actions might lead to disruptive affect while belated actions might place the change under the light of redundancy. Since all ten out of twelve experts indicated that their companies react immediately to the changes and start rolling it out as soon as the need arises. This brings us the perception that those companies usually deal with the rapid and short term changes which do not require planning.

It is worth mentioning that expert 3 and expert 4 indicated the following: "We closely measure the impact and conduct precontion actions in internal communication before rolling out any updates" and "Our company gradually implements the changes by measuring the impact with the help of the feedback delivered from the focus groups (our team)". The common point is that both companies operate in software development industries. This might be the link between their approaches. However, we do not have any assumptions about the following answers as our research sample has insufficient number of experts in this particular field of activity

To sum up, all the respondents are aware of the change models but those are not used. This means that the models might not suit their business or there are techniques which are

unconsciously used within the company and a few appropriate models might be outlined after this research based on the pattern of the answers.

Ninth question: Do you have a specific employee responsible (e.g change executive, communication specialist)?

As we can see from the results below, only two out of ten organisations have dedicated employees who are responsible for the change.

As a result, we see that the rest of the companies have to measure the change on separate hierarchy levels to report its effectiveness. Thus, it is more challenging to calibrate the steepness of the curve and the company has to align all the employees who are responsible for the change to measure the effectiveness of its implementation.
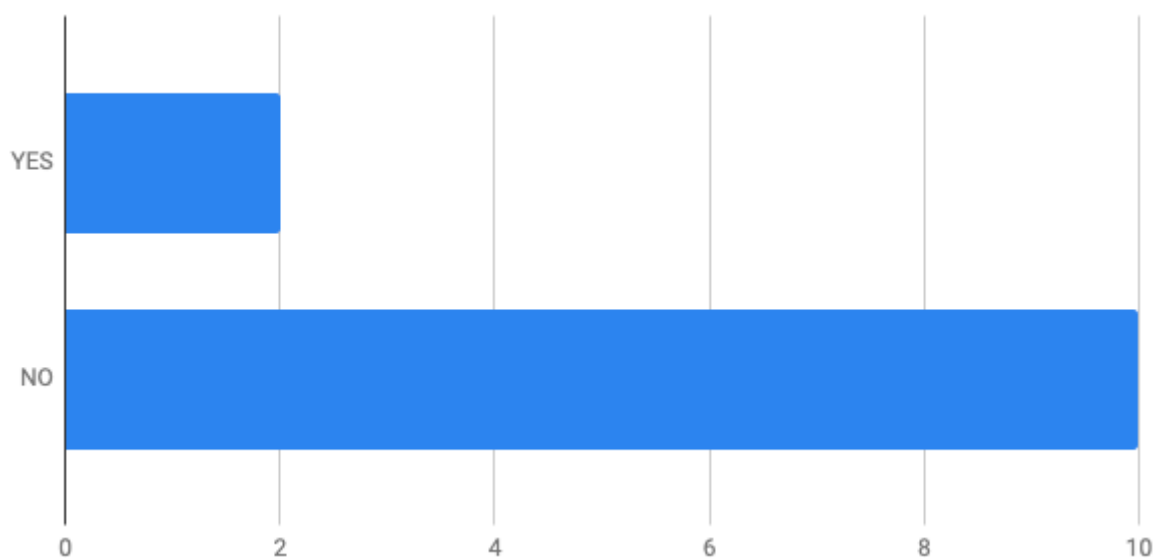

Figure 11. Change related roles within the company

Tenth question: Do you have a support mechanism for your employees after the implementation of the change?

This question helps us to understand the supporting mechanist to drive the change effectively. Since we always face the resistance from the employees, it is very important to provide the appropriate assistance along the implementation process.

We can make an assumption that only three respondents indicated the support mechanism positive answer due to the fact that they deal with long term changes. However, every minor change might be followed by some lowlight impacts, yet a support mechanism could be a beneficial option.

To sum up, the majority of the respondents replied that there is no support provided to their staff members after the change is implemented. This might be caused by the deepness of the change.
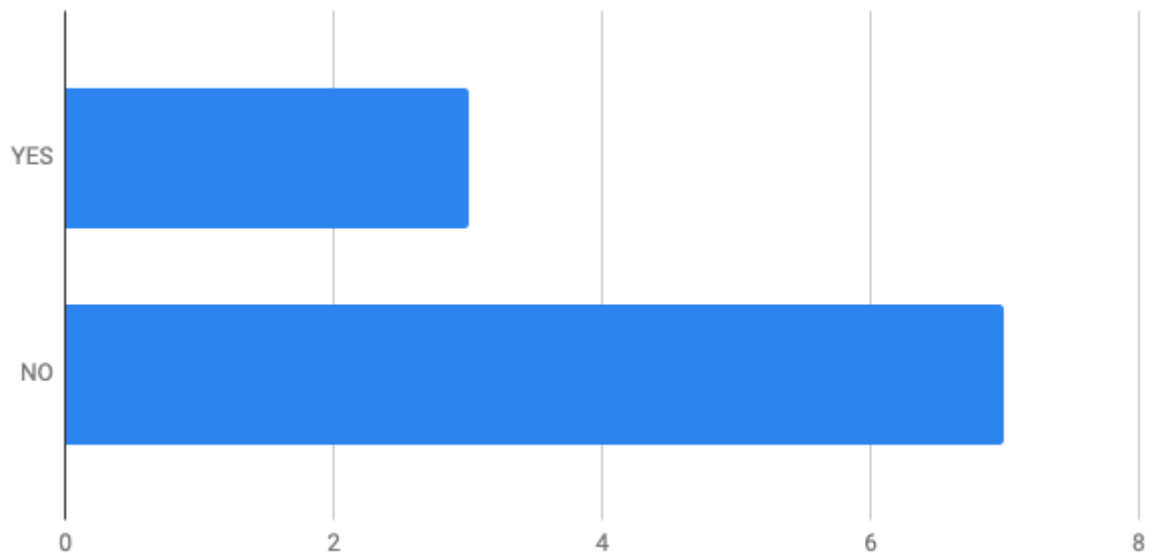
Figure 12. Support mechanism for employees after the implementation of the change

Eleventh question: If the answer to question number ten is answered "Yes", please kindly indicate what is the support provided. If the answer to question number ten is answered "No", please skip this question.

As three positive replies were provided to the question number ten, we can qualify three open answers with the support which is provided to the companies' employees

- Expert 1 (Marketing Specialist) indicated the following: "We are provided with Google Slides as the follow-up option after the updates. All the further support is directed to our branch change specialist. Additional team meetings to reinforce the information are arranged on demand "

- Expert 3 (Head of the Branch) claims that they also have additional support. "Company provides us with feedback forms. Depending on the quantity of developmental suggestions, we organize town hall meetings which is usually like a big team meeting considering the size of the Vilnius office. We usually open the discussion to follow up with the change and raise the feedback from our specialists. Sometimes, we are provided with extra info via emails as the feedback follow-up. "

- Exper 4 (Marketing Manager) indicated that they have a specific structure along the change process to support their employees. "Our focus groups provide the feedback to the local line manager and we calibrate on the focus areas. We follow up with the team meeting and 1:1 meetings during the big changes. In case of the small updates, we get the emails with the summaries of the changes as well as the links to the internal supportive materials."

In summary, we see that the most effective support is the feedback that is communicated back to the source of the change in order to provide the support. This approach is conducted through the meetings and discussions with employees. Thus, it increases their involvement and leads to smoother processes.

4.3 Research summary

Qualitative research was conducted with the collection of the data as planned. As a result we can assume that the majority of the respondents provided the insight from their empirical view based on the short term and rapid changes but not the long term ones.

This leads us to the risk of long term changes that need to be adapted based on the market variations (e.g Covid-19 situation).

Despite the fact that we have identified the long term change managed focus that could be bridged, it is important to mention that we have also identified that there are a lot of developmental areas in even current short term change management solutions that are adopted by majority of the targeted companies

Based on the respondents' answers, 1:1 meetings as well as staff involvement from the statistics based on the third question could be the tool towards the resolution of revenue loss which was experienced by half of the respondents. The lack of supporting mechanisms to follow up with the changes also brings the risk of effective change management processes.

Thus, we can conclude that there is no ideal and adequate change management model developed that would fit the business needs, yet companies adopt various strategies and combine the bits of techniques unconsciously by formulating its own internal models.

Based on research, we can see that the companies deal with internal sources of initiatives with top to bottom approach in most of the cases. We understand that those are mainly rapid and short term changes. As a result we can combine Greiner's and Levin's models which are present as the pattern based on the survey responses. Since the first question proved that the majority of the respondents have the clear vision for the change, they unconsciously adopt the second step of Greiner's model which is mediation and strategic reorientation. Afterwards, effective communication should be used based on Levin's model in order to unfreeze the environment for the change and communicate strategies. Since staff involvement is the problem based on the third question of the survey, we can involve more employees to decrease the resistance of the change and follow experiment and finding phase as per Greiner's model. This approach was used by Expert 3 and Expert 4 and considering that their companies did not have revenue loss due to the change process. The final stage

would be refreeze of the environment as per Levin's model. This is possible with the strong support mechanism that is lacked in the majority of the companies as per survey.

CONCLUSIONS AND RECOMMENDATIONS

1. Theoretical part covers the notion of change management; change types and factors; change technology that influence the process of smooth change adoption. It is important to say that change management complexity is very vast and the basic pillars that have influence on e-commerce were covered. In general, it is possible to outline both positive and negative sides of different change management approach types. The vital part here is the awareness of the needs for specific types of the business and risk evaluation and each approach. However, regardless of the approach the core tool along the change management process is communication.

2. While analysing the concept of change management, change resistance was highlighted as an integral part of the process, yet the most dangerous and crucial one. Moreover, the major part of the change process happens in the resistance phase. It is important to dissect the process and distinguish critical risk factors along the change at its steepest phase . It can be overcome with the range of the methods outlined in Table 3. Some of the methods soften the resistance and lead to smooth change adoption. It is important to mention that there is no ideal method to be used as all depends on the steepness of the change and organization itself. Advantage and disadvantages of each method should be analysed and preconditions should be fulfilled to reach the most efficient effectiveness

3. Based on the literature analysis, a major obstacle is the inadequacy of the change management models. Modern management has begun to adopt an adaptive approach and often the organizational sequence of changes is not adhered which leads to a decrease in their effectiveness. However, some main criterias of various models were distinguished and later on suggested after the conduction of the research.

4. According to the qualitative criteria that was proposed, a combination of the change management models was suggested. Effectiveness increase was also researched and suggestions were made. Multiple tools and techniques were outlined as suggested developmental areas for the effectiveness increase of the short term changes. We can conclude that there is no ideal and adequate change management model developed that would fit the business needs, yet companies adopt various strategies and combine the bits of techniques unconsciously by formulating its own internal models. As a result we can combine Greiner's and Levin's models which are present as the pattern based on the survey responses. This can bridge the gap during the change process within the environment of Lithuanian market.

Recommendations:

1. To use the concept of change management in e-commerce, it is necessary to understand the type of the change based on the steepness of the disruption. It is important to evaluate positive and negative sides of different change management approach types to tailor the one needed for the specific business. This should be strongly supported with the well thought communication tactics within the organization

2. In order to adopt any type of reform, resistance from employees should be softened with the help of the various methods that adapt employees to the change .

3. Since there is no universal change management model with the ideal structure to be followed, a combination of Greiner's and Levin's models was proposed and should be used.

4. Adapt proposed combination of change management models to reach sufficient effectiveness of the change implementation. This method allows calibration of the combined models by adding or reducing some of the steps based on the company's needs.

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Plehutsa S. Implementation of change management within the members of Lithuanian electronic commerce association / Master's Work in Electronic Business Management. Supervisor prof. dr. T. Limba. – Vilnius: Mykolas Romeris University, Faculty of Economics and Business, 2020. – 60 p.

ANNOTATION

Master thesis researches implementation of change management in Lithuanian electronic commerce association and fills the gaps in successful adoption of change management processes within the organization. Change management model analysis and qualitative analysis of Lithuanian electronic commerce association have been made, so that it could assist in successful adoption of changes in Lithuanian market. The first section covers the notion of change management; change types and factors; change technology that influence the process of smooth change adoption. The second section covers the change resistance concept which was highlighted as an integral part of the process, yet the most dangerous and crucial one. The third part analyses a major obstacle along the change process which is the inadequacy of the change management models. The fourth section provides the insights from the experts on change management process and its effective implementation as well as allows to outline the problems that respondents had indicated.

Key words: change management, e-commerce, change models. change resistance, Lithuanian electronic commerce association

Plehutsa S. Pokyčių valdymo įgyvendinimas Lietuvos elektroninės komercijos asociacijos veikloje / Magistro baigiamasis darbas. Vadovas prof. dr. T. Limba. – Vilnius: Mykolo Romerio universitetas, Ekonomikos ir verslo fakultetas, 2020. - 60 p**.**

ANOTACIJA

Magistro baigiamajame darbe tiriamas pokyčių valdymo diegimas Lietuvos elektroninės komercijos asociacijoje ir užpildomos sėkmingo pokyčių valdymo priėmimo organizacijoje spragos.

Baigiamajame rašto darbe atlikta pokyčių valdymo bei kokybinė Lietuvos elektroninės komercijos asociacijos analizė. Analizės pagrindu bus galima sėkmingai priimti pokyčius Lietuvos rinkoje.

Pirmajame baigiamojo rašto darbo skyriuje aptariama pokyčių valdymo sąvoka, pokyčių tipai ir veiksniai, pokyčių technologija. Antrajame skyriuje aprašoma atsparumo pokyčiams koncepcija, kuri apibrėžiama kaip svarbiausia ir neatsiejama proceso dalis. Trečiojoje dalyje analizuojamas pokyčių valdymo modelių netinkamumas, kaip pagrindinė pokyčių procese kliūtis. Ketvirtajame – aptariamos ekspertų įžvalgos apie efektyvų pokyčių įgyvendinimą, taip pat pateikiamos respondentų nurodytos problemos.

Raktažodžiai: pokyčių valdymas, elektroninė komercija, pokyčių modeliai, pokyčių pasipriešinimas, Lietuvos elektroninės komercijos asociacija.

SUMMARY

The master study analyses successful change management approaches and models that could be adopted in Lithuanian electronic commerce association. Qualitative approach in the form of case study was conveyed within the members of the association while quantitative methods were used to analyse some of the insights. Scientific literature analysis was conveyed to cover empirical study results.

The purpose of qualitative analysis is to research an implementation of change in Lithuanian electronic commerce association and propose relevant solutions to increase the effectiveness of change management. The research consists of two parts: analysis of the insights of experts' questionnaire which is used to outline the change management obstacles in the e-commerce environment and the proposal of change management models and techniques to reach effective change adoption processes.

According to the qualitative criteria that was proposed, a combination of the change management models was suggested. Effectiveness increase was also researched and suggestions were made. Multiple tools and techniques were outlined as suggested developmental areas for the effectiveness increase of the short term changes.

The master's thesis consists of four parts. The first section covers the notion of change management; change types and factors; change technology that influence the process of smooth change adoption. The second section covers the change resistance concept which was highlighted as an integral part of the process, yet the most dangerous and crucial one. The third part analyses a major obstacle along the change process which is the inadequacy of the change management models. The fourth section provides the insights from the experts on change management process and its effective implementation as well as allows to outline the problems that respondents had indicated.

Plehutsa S. Pokyčių valdymo įgyvendinimas Lietuvos elektroninės komercijos asociacijos veikloje / Magistro baigiamasis darbas. Vadovas prof. dr. T. Limba. – Vilnius: Mykolo Romerio universitetas, Ekonomikos ir verslo fakultetas, 2020. - 60 p**.**

SANTRAUKA

Magistro baigiamajame darbe analizuojami sėkmingi pokyčių valdymo metodai ir modeliai, juos būtų galima pritaikyti Lietuvos elektroninės komercijos asociacijoje. Šios asociacijos nariai pateikė kokybinį požiūrį į atvejo analizę, jų įžvalgoms analizuoti buvo naudojami kiekybiniai metodai. Darbe taip pat pateikiama mokslinės literatūros analizė, apimanti empirinių tyrimų rezultatus.

Kokybinės analizės tikslas ištirti pokyčių įgyvendinimą Lietuvos elektroninės komercijos asociacijoje ir pasiūlyti aktualius sprendimus pokyčių valdymo efektyvumui didinti. Tyrimą sudaro dvi dalys: ekspertų klausimyno įžvalgų, naudojamų apibūdinti pokyčių valdymo kliūtis elektroninėje komercijos aplinkoje, analizė ir pokyčių valdymo modelių bei metodų pasiūlymas, siekiant veiksmingų pokyčių procesų priėmime.

Pagal pasiūlytus kokybinius kriterijus buvo pasiūlytas pokyčių valdymo modelių derinys. Taip pat buvo tiriamas efektyvumo didinimas ir pateikti pasiūlymai. Buvo pasiūlytos kelios priemonės ir metodai, kaip siūlomos plėtros sritys trumpalaikių pokyčių efektyvumui didinti.

Magistro darbą sudaro keturios dalys. Pirmajame baigiamojo rašto darbo skyriuje aptariama pokyčių valdymo sąvoka, pokyčių tipai ir veiksniai, pokyčių technologija. Antrajame skyriuje aprašoma atsparumo pokyčiams koncepcija, kuri apibrėžiama kaip svarbiausia ir neatsiejama proceso dalis. Trečiojoje dalyje analizuojamas pokyčių valdymo modelių netinkamumas, kaip pagrindinė pokyčių procese kliūtis. Ketvirtajame – aptariamos ekspertų įžvalgos apie efektyvų pokyčių įgyvendinimą, taip pat pateikiamos respondentų nurodytos problemos.

LIST OF ANNEXES

Annex 1. The questionnaire of the survey

Hello. I am a student of Mykolas Romeris University. I'm conducting the survey of "*Change management effectiveness and its models used within Lithuania E-Commerce Association*".

Members of Lithuanian electronic commerce association work under ICT development and its challenging conditions. Despite the fact that there is a big number of solutions which have been proposed and adopted by companies which are operating in the area of e-commerce, there are still numerous obstacles to be overcome in effective implementation of change management techniques. The aim of the survey is to figure out the effectiveness of change management and determine the adequate change models which could be adopted to drive the change within Lithuanian e-business market.

The survey is anonymous, all the information will not be provided publically. Please, provide the generalized insights from the perspective of management regarding this point. It is important in order to determine the effectiveness of change management within members of Electronic Commerce Association. Thank you in advance for the answers. I do really appreciate your time looking into it.

Please, evaluate the statements about the qualitative criteria of internet marketing according to the evaluation assessment scale from -2 to 2 (2 means "totally agree", 1 – "agree", 0 – "I am not sure", -1 – "disagree", -2 – "totally disagree").

	YES	NO	NOT ALWAYS
1) Do you have a clear vision while communicating changes			
2) Do you struggle to effectively communicate updates?			
3) Is company staff involved in the change process?			

4) Have you experienced revenue loss due to the changes?			

5) How do you prefer to communicate changes? (Please fill in the relevant box)

Emails	
Team Meetings	
1:1 Meetings	
Town Halls	
Platform based channels, messages/posts(slack, workplace, etc.)	
Other(type in)_____	

6) What is the structure of your communication?
_____
_____
_____
_____

11) Are you aware of change management models?
    a) YES (using following particular one/some of them)
    b) YES (but not using them)
    c) YES (tailored multiple approaches based on the business needs)
    d) NO

7) When do you start rolling out changes?
_____
_____
_____
_____

8) Do you have a specific employee responsible (e.g change executive, communication specialist)?
    a) YES
    b) NO

9) Do you have a support mechanism for your employees after the implementation of the change?
    a) YES
    b) NO

10) If the answer to question number ten is answered "Yes", please kindly indicate what is the support provided. If the answer to question number ten is answered "No", please skip this question.
_____
_____
_____
_____
_____

11) Would you prefer to get external support to manage internal changes?
   a) YES
   b) NO