

SUCCESS FACTORS OF CHANGE MANAGEMENT IN THE EUROPEAN STEEL MARKET



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ABSTRACT

Information technology (IT) has become the basis for organisational processes, productivity and competitiveness. IT thus has become one of the top drivers for organisational change. The high rate of IT projects facing budget overruns and staying far behind expectations not only results in billion € in costs for organisations globally each year but can also threaten organisational competitiveness and survival. A major reason for the high failure rate of IT projects is the lack of focus on human aspects of organisational change management. Managing IT projects efficiently and effectively has become of increasing importance for the competitiveness of the European steel industry, which faced a turbulent global downturn in 2009, a highly competitive global market, strong buyer automotive customers and dramatically rising raw material costs.

The research objective is to examine the extent, to which aspects of change management such as knowledge of change management, readiness for change and participative change implementation style have an influence on the success of IT projects and the realisation of resulting organisational changes.

The importance of the European steel industry for the European economy, the impact of economic influences on its competitiveness and the resulting relevance of effective and efficient IT project realisation were presented. The examination of current change management practices in Europe, of existing change management theory and models support the research justification, to quantitatively analyse organisational change management approaches as success factors for IT projects in the European steel industry. Information analysed were obtained from an online questionnaire distributed via the confederation of European Iron and Steel Industries – EUROFER – to its member companies and national organisations. The analysis identified the significant influence of readiness for change on perceived IT Success and the commitment to change. While a meaningful influence of participation and involvement could be found on readiness for change and commitment to change, IT Success and commitment to change were both found to influence the perception of an overall project success nearly equally. With these results, the analysis could present statistical evidence that organisational change approaches could not only positively contribute to the realisation of organisational changes but also on the IT success and the success of the overall project.

Certification of dissertation

CERTIFICATION OF DISSERTATION

I certify that ideas, experimental work, results, analyses and conclusions reported in this dissertation are entirely my own effort, expected where otherwise acknowledged. I also certify that the work is original and has not been previously submitted for any other award, except where otherwise acknowledged.

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Signature of Candidate

.....

Date

ENDORSEMENT

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Signature of Supervisor/s

.....

Date

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