

Managing Change in Highly Regulated Industries: Comparison between Public and Private Organisations in the UAE

Abdulrahman Alhashmi

Lancashire School of Business and Enterprise, University of Central Lancashire, Preston, Lancashire, England
Corresponding Author Email: AHAAlhashmi@uclan.ac.uk

Abstract

This study addresses the lack of empirical data distinguishing change management perceptions between public and private sectors in highly regulated industries (HRIs) in the UAE. The research aimed to explore these distinctions to inform the use of tailored change management strategies. Through a qualitative, interview-based approach, insights were gathered from twelve managers across four companies in the pharmaceutical, construction, and nuclear industries, split evenly between the public and private sectors. Findings indicated a commonality in employee resistance to change across sectors. However, perceptions towards managing change differed significantly: in the private sector, change management is viewed as a means to drive innovation and value, whereas in the public sector, it is approached with an emphasis on compliance and safety. These results suggest that private organisations benefit from agile, innovation-oriented change methods, while public entities require structured, risk-aware strategies that ensure regulatory compliance. The study highlights the need for sector-specific change management approaches in highly regulated environments.

Keywords

Change Management, Highly Regulated Industries, Organisational Change, Public Sector Change, UAE.

INTRODUCTION

Change, both in the public and private sectors, is key to organisational success. A carefully planned and well-managed change is highly likely to lead to improvements in operational stability and profitability, as well as a range of other positive outcomes [1] [2]. Since the pace of change in the 21st century has increased due to the frequency of technological and process innovation, amplified by communication speed and global access to information, management of change has become even more crucial [3]. Because of those frequent changes, market conditions force organisations, even in the public sector, to adopt change by anticipating the trends and adjusting to them [4]. So, in order to remain relevant and provide the best service, organisations need to introduce and manage change. Authors in change management field note that even the smallest, incremental changes need managing as business culture faces towards recognising the needs of employee engagement and adaptation to change to ensure their productivity [3] [5] [6]. While it is established that change management is important for organisations, fewer authors have explored the distinctions between change management processes and practices in private and public sector organisations.

Existing studies accentuate that there are limitations in the way evidence from private sector change management can be applied to public sector organisations, which necessitates further comparative research. Research highlighted that public organisations, especially ministerial departments, demonstrate unique success conditions for change management compared to private organisations [7]. Specifically, in the context of Dutch ministerial departments,

establishing a sense of urgency, which is a first step in a widely-used Kotter's change management model, was not relevant, especially in the view that change is mostly decided and planned at the higher level. Thus, the author concluded that insights from generic management science might not be directly applicable in public contexts, underscoring the need for tailored change management approaches in public sectors.

There is further evidence that highlights the differences in change between the public and private sectors and, consequently, the need for comparative studies on change management. Research based on 124 quantitative case studies of public and private sector change management attempts, found that public and private initiatives differ in achieved outcomes of change, level of management support and capacity for change [8]. What can be derived from these studies is that sector specificity in change management practice has presented implications for further research. Unfortunately, this specificity has not been explored well in recent literature. In addition, some of the most relevant studies [7] [8] [9] [10] considered the organisational side of change management, forgoing the individual views.

An even smaller strand of change management literature focuses on highly-regulated industries (HRIs) and explores their specific peculiarities and sectoral differences therein. Some of the existing studies on change management in HRIs accentuate the role of regulatory pressure as the main factor of change [11] [12] [13] [14]. For example, research explored how change is managed in highly regulated industries (HRIs) and found that there is no standard change management process that guarantees success [11]. However, certain practices, including following regulatory guidelines,

assessing risks, and using customised change models, were effective in preventing losses. While these results highlight unique risks and challenges of change management in HRIs, neither the previously mentioned study [11] nor other studies performed in the HRI field [12] [13] consider differences between public and private sector organisations.

Furthermore, the majority of the studies, including [8] [9] [10], employ quantitative designs or undertake a systematic review, which leaves limited space for exploring subjective perspectives. Their quantitative analyses provide valuable insights for evaluating the objective side of change management, namely, the practices used, frequency, nature of responses, and so forth. Unfortunately, these insights are insufficient to understand the subjective perspectives of agents of change who are engaged in planning and delivering it. Among the few authors who adopted a qualitative case study design are [7] [11] but they too focused on the organisational, objective side of change management.

In UAE, change management scholarship is only emerging, and the majority of studies focus on developing frameworks, testing Western change management models or exploring change management practices within a single organisation or industry, see for example [15] [16] [17] [18]. Few studies have examined change management within the realm of highly regulated industries (HRIs), typically employing a single case study methodology, see for example [19] [20]. To date, no published study has adopted a comparative cross-sectoral approach within the HRI field of UAE despite the established presence of crucial distinctions and the implications of those for effective management of change. Finally, few studies delved into perceptions of change management agents to ascertain the attitudes towards this practice in different organisation types and sectors. To extend the knowledge of sector specificity in change management, this study aims to explore the distinctions in change management perceptions in public and private organisations within the highly regulated sector of the UAE.

MATERIALS AND METHODS

To achieve this aim, the researcher employed qualitative methods. Qualitative methods were the best fit for achieving the set aim because it sets to explore the perspectives and qualitative investigation is most suitable for capturing the very subjectivity this research pursues [21].

Sample and Sampling

The sample consisted of 12 managers. The sample size was dictated by considerations of data saturation, which, for qualitative research, usually ranges from 9 to 17 participants [22]. The sample was recruited using the purposive sampling method because all participants had to possess a specific set of characteristics. Participants had to be employed in a UAE organisation within the highly regulated industry. Participants had to have at least 2 years of experience in their current position to ensure they have sufficient exposure to and understanding of change management practices within

their organisation. Finally, participants should have been actively involved in one or more change initiatives within their organisations. This involvement may range from planning and implementation to evaluation stages.

Data Collection

In-depth semi-structured interviews were used as the data collection tool to gain detailed insights about attitudes towards change management in private and public HRIs in the UAE. Such interviews allowed to strike a balance between the reliability of structured interviews and the flexibility of unstructured ones, which is useful for capturing nuances in the perspectives of participants [23]. The researcher developed an interview guide, which was then distributed among the sample of 12 managers recruited from different public and private organisations across the UAE. The interviews were administered face-to-face to ensure that live mimics and body language were captured, to consider the non-verbal aspect of communication, and thus, to collect additional insights into the topic. A typical interview lasted about 40 minutes. Before administering the interviews, the researcher obtained ethical approval for at the University of Central Lancashire.

Data Analysis

The interview data was obtained in the participants' native language (Arabic) and later translated and transcribed to English by the researcher for further analysis. The analysis followed the thematic analysis procedure [24]. In accordance, the researcher familiarised themselves with the data and identified the preliminary codes. These codes were systematically developed from the data and then organised into potential themes. Each theme was then meticulously reviewed to ensure it accurately reflected the corresponding data extracts and the entire dataset. The final stage involved crafting a comprehensive report that linked the analytical narratives with relevant data extracts, contextualising the findings within the existing literature. This procedure allowed for a systematic and replicable analysis of large volumes of textual data to arrive at meaningful insights for research aims.

RESULTS

The analysis of the interviews revealed that the major differences between HRI sectors in relation to how they manage change can be categorised into three main topics or themes: Change Management as Safety and Stability Practice; Change Management as Means to Achieve Excellence; Change Management as Additional Effort. These themes represent major ideas that were inferred from participants' responses about their perception of change management.

Change Management as Safety and Stability Practice

The first theme was traced mostly to the responses of public sector managers, which indicates that safety and stability were key factors that were associated with change

management. Several different verbal and non-verbal cues illustrate the perception of change management from the perspective of safety. Firstly, managers who reasoned that safety was a key indicator of the need for change management tried to juxtapose the presence and absence of this practice:

“When we introduce something new or different in our department, it is my duty as a safety officer to ensure everyone understands why we are changing the current practice and what exactly needs to be done. Otherwise, there would be a potential danger of injury, equipment failure or death even. It [change] is a very serious issue.” (P6)

However, it is not only safety officers who consider any change from the perspective of safety, potentially due to their professional predisposition, managers of other departments in pharmaceutical, construction and nuclear industries share the same sentiment. As an illustration, a project planning manager from the municipality of Dubai suggests that change management should be about managing the risks to productivity in the short term:

“I mean, there is always risk that your beautiful [change implementation] plan goes not as you thought it would. That’s why you need to ensure everyone understands their instructions. Otherwise, you will end up in a situation where safety problems are unavoidable” (P7)

Among the specific consequences of lack of or poor change management, managers in public HRIs referred to injuries and deaths of personnel due to violation of changed instructions, improper construction, production and use of materials and goods that also lead to poor health and safety outcomes. Besides safety, participants would also refer to the loss of stability as a necessary outcome of change mismanagement or complete lack of it:

“Change management is about careful implementation and preferably by a competent team so that every aspect is duly noted. So that there are no major process disruptions and losses.” (P3)

Speaking about those issues, participants would often feel visibly uneasy: adjusting clothing, tight lips or tapping feet, which indicated that such outcomes were highly undesirable. This illustrates that change management in the public sector, at least in the pharmaceutical, construction and nuclear industries, is often tightly linked to safety and stability.

Change Management as Means to Achieve Excellence

The conceptualisation of change management as a means to achieve excellence in business has been mostly referred to by private sector managers in HRIs, marking it as a distinct feature of change management perceptions in the sector. When asked about their attitudes towards change management, a civil engineering department manager noted:

“Through careful management of change, we make the transition period less costly for the company and thus achieve strategic advantage.” (P5).

The answer of the Deputy Head of the R&D department working in a private pharmaceutical company is aligned with the previous statement, while this participant also added that

change management smooths the transition process and also makes the company more resilient:

“I think change management is about ensuring that change goes as smoothly as possible. Over time, our company developed a steady way of bringing innovation, so we do not face as many disruptions [during the change process] as we did some three years ago.”

Thus, being perceived as a development tool to outperform competitors and build necessary capability, change management in the private sector presents an opportunity for growth rather than being a method to prevent safety issues. In other words, whereas change management is perceived as a method of preventing loss in the public sector, it is considered an opportunity for growth in the private sector. This marks a crucial difference in the perception of change management between private and public sector managers.

Change Management as Additional Effort

What both private and public sector managers agreed on is that change management requires additional effort on their part. In describing their experience of managing change, participants would often use phrases and collocations signifying tiredness, overwork or stress:

“Implementing it [change] is rather exhausting, to be honest. Overcoming resistance and lack of understanding is not easy. Especially when you have several teams to manage.” (P11)

“Managing change comes along with your usual, daily responsibilities, so often it takes extra time and effort.” (P4)

There was also no notable sectoral difference in how this effort was perceived in terms of the necessity of change management despite it being a demanding process. Mostly, participants referred to managing change as part of their role responsibility and, therefore, would project no negative attitudes towards this practice. As it was well-summarised by Participant 1, “Managing change is something that a manager is trained and hired to do.”

DISCUSSION

The results clearly showed a key area of difference: the meaning of change management for an organisation. Managers from both the private and public spheres, even though they were asked about their individual perceptions, they would still tie their viewpoints to the company they work in. Due to that peculiarity, they perceive change management through the prism of their professional occupation as managers rather than individuals, which in turn shapes their perception of this organisational process as part of their job. This observation comes in support of earlier findings [16] that indicated that the leadership competencies of a change agent are significant predictors of change processes and outcomes. This means that managers' perspectives on change management are very important for how change is going to be managed because they form others' attitudes towards it, acting as leaders at the helm of change.

Furthermore, the revealed focus of public sphere HRI managers on the safety and stability aspect of change management is a crucial confirmation of the role of regulation in such organisations. Safety and stability of operation are requirements in many HRIs, but the fact that they permeate the discourse more in public organisations than in private ones has rarely been highlighted in research [11]. To an extent, however, this finding may result from a subset of managers forming the sample of this study. Specifically, public sector managers represent pharma, construction and nuclear spheres where safety is of utmost organisational priority. Consequently, the importance of this safety narrative may need further investigation and confirmation in other public HRIs.

The fact that among managers in HRIs across the private sector, safety and stability were not as dominant in the conceptualisation of change management speaks towards the orientation of private business towards profit. Once again, it is evident that managers translate their company's ideas rather than their individual perceptions and reflect the organisational perspective. The main implication is that the attitude towards change management as an opportunity is that HRIs, despite the regulatory load, perceive change as a source of profit rather than a setback. As demonstrated in the third theme, this contributes to managers' conceptualisation of change management as part of their job as high-ranking executives vested in the company's profitability. Specifically, treating change management as part of their role of leading a company to achieve its goals fits well with their view of this practice as necessary. The conceptualisation of managers as facilitators and enablers of change and, therefore, agents of business goal facilitators is also found in a study of private sector managers from Sri Lanka [6].

Finally, the tendency of managers to associate change management with heightened load appears natural both in private and public sector HRIs. Change in HRIs is not as persistent as in other highly competitive industries and, therefore, may be less frequent [14]. As a result, facilitating change is not among the daily tasks that managers in HRIs (both public and private) get accustomed to. Hence, this relative infrequency of the practice is what possibly allows them to conceptualise it as an 'additional' workload rather than part of their daily routine. Upon further examination, however, the participants all agree that this is, in fact, their duty. This forms a positive rather than negative attitude to managing change, whether it is to maintain safety and stability or to gain competitive advantage. Again, role congruence, explained as an alignment between an individual's personal attributes and behaviours and the expectations associated with their role [25], explains this finding as ordinary rather than an outlier. When other studies are considered, the association of change management with increased workload is also acknowledged in research [10]. In their study, these authors also indicated that commitment was necessary among managers to overcome stress, which was confirmed to be present in HRI managers.

CONCLUSIONS

The aim of this study was to investigate and compare the perceptions of managers in public and private HRIs of the UAE. The results of the thematic analysis of data from 12 interviews with managers from the pharmaceutical, construction and nuclear industries showed notable similarities and differences in the way managers perceive change management. Specifically, in line with other studies in the field, the current research illustrated that safety was a crucial element around which change management in public organisations revolved. Contrastingly, due to the profit orientation of private HRIs, managers would assume change management to be an opportunity to cut costs and achieve advantage. Explained by their role in the organisation, this finding appears to be in line with theory and other empirical research. Finally, the heightened workload associated with change by HRI managers in both sectors was also perceived as peculiar to HRIs in general rather than being sector-specific and is attributed mostly to the infrequent nature of change in HRIs. These findings contribute to a better understanding of change management perceptions in HRIs in the UAE and open potential avenues for further research. Specifically, following the limited diversity of HRI organisations included in the sample, more studies are needed to establish the individual rather than organisation and role-influenced perceptions of change management.

Acknowledgements

I sincerely thank my professors at the University of Central Lancashire for their guidance and support throughout this research. I am also grateful to the research participants for their valuable time and insights. Finally, I extend my heartfelt appreciation to my family for their unwavering encouragement and support.

REFERENCES

- [1]. Hornstein, H. A., 2015, The integration of project management and organisational change management is now a necessity. *International Journal of Project Management*, 33(2), 291–298.
- [2]. Weinzimer, P., 2016, *The Strategic CIO: Changing the Dynamics of the Business Enterprise* (Boca Raton, FL: CRC Press).
- [3]. Autissier, D., and Metais-Wiersch, E., 2018, Du Changement à la Transformation. *Question(s) de management*, 21(2), 45–54.
- [4]. Furxhi, G., and Dollija, E., 2021, An analysis of factors that impact the change management process. *Technology Transfer: Innovative Solutions in Social Sciences and Humanities*, 18–20.
- [5]. Stanleigh, M., 2008, Effecting successful change management initiatives. *Industrial and Commercial Training*, 40(1), 34–37.
- [6]. Dadallage, J., 2015, Experiencing organisational and personal change management for continuous organisational effectiveness. *Sri Lankan Journal of Development Administration*, 5(0), 27.
- [7]. Kickert, W. J. M., 2014, Specificity of change management in public organizations: Conditions for successful organisational

- change in Dutch ministerial departments. *The American Review of Public Administration*, 44(6), 693–717.
- [8]. Jurisch, M., 2014, Key differences of private and public sector business process change. *e-Service Journal*, 9(1), 3–27.
- [9]. Kuipers, B., et al., 2010, Managing change in the public sector - a review of the literature between 2000 and 2010. *Public Administration*, 92(1), 1–20.
- [10]. Aher, K., and Luoma-Aho, V., 2017, Contextualising change in public sector organisations. *How Strategic Communication Shapes Value and Innovation in Society*, Advances in Public Relations and Communication Management, Emerald Publishing Limited, pp. 23–35.
- [11]. Tait, C., et al., 2017, Organisational change management – making a change, managing hazards, protecting people. *Hazards*, 27(162), 1–11.
- [12]. Salguero-Caparrós, F., et al., 2020, Management of legal compliance in occupational health and safety. A literature review. *Safety Science*, 121, 111–118.
- [13]. Ribeiro, A. T. V. B., et al., 2019, Agile product development: Features identification and application in the electricity sector. *Proceedings of the Design Society: International Conference on Engineering Design*, 1(1), 2149–2158.
- [14]. McDermott, O., et al., 2022, Barriers and enablers for continuous improvement methodologies within the Irish pharmaceutical industry. *Processes*, 10(1), 73.
- [15]. Bin Taher, N. A., Krotov, V., and Silva, L., 2015, A framework for leading change in the UAE public sector. *International Journal of Organizational Analysis*, 23(3), 348–363.
- [16]. Al-Ali, A. A., et al., 2017, Change management through leadership: the mediating role of organisational culture. *International Journal of Organizational Analysis*, 25(4), 723–739.
- [17]. Al-Alawi, A.I. et al., 2019, Investigating the barriers to change management in public sector educational institutions. *International Journal of Educational Management*, 33(1), 112–148.
- [18]. Khatib, M. E., Qurashi, F. A., and Brieki, S. A., 2021, Challenges of design and implementation of program governance—Cases from government bodies in UAE. *American Journal of Industrial and Business Management*, 11(5), 566–581.
- [19]. Al Owad, A., et al., 2023, Integrated Lean Six Sigma and Kotter change management framework for emergency healthcare services in Saudi Arabia. *Benchmarking: An International Journal*, ahead-of-print(ahead-of-print).
- [20]. Shash, A. A., Zaaza, M., and Alsalti, M., 2020, Change management in construction contracting organizations in Saudi Arabia. *International Journal of Construction Engineering and Management*, 9(5), 142–153.
- [21]. Saunders, M., Thornhill, A., and Lewis, P., 2019, *Research Methods for Business Students* (London, U.K.: Pearson).
- [22]. Hennink, M., and Kaiser, B. N., 2022, Sample sizes for saturation in qualitative research: A systematic review of empirical tests. *Social Science & Medicine*, 292, 114523.
- [23]. Ruslin, R., et al., 2022, Semi-structured interview: A methodological reflection on the development of a qualitative research instrument in educational studies. *Journal of Research & Method in Education*, 12(1), 22–29.
- [24]. Braun, V., and Clarke, V., 2021, *Thematic Analysis: A Practical Guide* (London, U.K.: SAGE).
- [25]. Sluss, D. M., van Dick, R., and Thompson, B. S., 2011, Role theory in organisations: A relational perspective. In: *APA Handbook of Industrial and Organisational Psychology, Vol 1: Building and Developing the Organisation*, edited by S. Zedeck (Washington, DC, U.S.: American Psychological Association), pp. 505–534.

Appendix 1: Interview Guide

1. How long have you been employed at your current organisation?
2. What is your current role and its responsibilities within the organisation?
3. Can you describe your involvement in change management processes?
4. What is your attitude towards change management? Why do you think so?
5. What are your personal views on the necessity of managing change within your organisation?
6. What role do you think change management plays in your organisation?

Appendix 2: Participant Characteristics

Table 1. Participant Characteristics

Participant	Role in Organisation	Organisation	Experience (Years)	Involvement in Change
P1	Quality Assurance Manager	Dubai Healthcare City (Public)	5	Planning and implementation of quality systems
P2	Regulatory Affairs department manager	Al Hayat Pharmaceuticals (private)	3	Evaluation of regulatory compliance changes
P3	R&D department deputy head	Al Hayat Pharmaceuticals (private)	4	Implementation of lab safety protocols
P4	Site Manager	Al Basti & Muktha LLC (private)	6	Planning of new construction projects
P5	Civil Engineering department manager	Al Basti & Muktha LLC (private)	2	Implementation of updated building codes

Participant	Role in Organisation	Organisation	Experience (Years)	Involvement in Change
P6	Safety Officer	Al Basti & Muktha LLC (private)	5	Evaluation of workplace safety initiatives
P7	Project planning manager	Dubai Municipality (Public)	7	Planning and evaluation of project timelines
P8	Head of architectural planning	Dubai Municipality (Public)	3	Implementation of sustainable design practices
P9	Construction Supervisor	Dubai Municipality (Public)	8	Supervision and planning of construction sites
P10	Nuclear Safety Manager	Nawah Energy Company (Public)	4	Planning of safety protocols
P11	Operations Manager	Nawah Energy Company (Public)	5	Implementation and evaluation of system updates
P12	Waste management department deputy head	Nawah Energy Company (Public)	2	Evaluation of radiation safety measures

Appendix 3: Results of the Thematic Analysis

Table 2. Results of the thematic analysis

Theme	Codes	Evidence	Mentions by Public Sector Managers (Number and %)	Mentions by Private Sector Managers (Number and %)
Change Management as Safety and Stability Practice	Compliance, Safety protocols, Risk management, Standard procedures	"We adhere strictly to safety protocols to ensure stability during change." - Participant 10	18 (75%)	6 (25%)
Change Management as Means to Achieve Excellence	Innovation, Efficiency, Strategic planning, Competitive advantage	"Through careful management of change we make the transition period less costly for the company and thus achieve strategic advantage." - Participant 5	5(26.3%)	14(73.7%)
Change Management as Additional Effort	More work, long adaptation period, Additional tasks, Increased hours	"Every change takes time... and lots of extra manhours." - Participant 3	7 (43.7%)	9 (56.2%)