

EMPLOYEES ATTITUDE TOWARDS ORGANIZATIONAL CHANGE

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Abstract:

Objectives: Change is very important for any organization since changes are undertaken by altering. An important assumption in management is that employee attitude and reactions to organizational change are closely associated. This theoretical paper tries to capture the attitude of employees on change in organization.

Methods: Descriptive study was carried out. The existing literature on attitude of employees on Organizational change was reviewed in the light of this analysis to identify the impact of employee's attitude on successful implementation of change.

Findings: It is complex for any organizations, specifically for top management as, to get ready and direct the change in behavior that influence the stress of both the organization and its employees. The review of earlier studies revealed that attitude of employees during change process in organization plays a vital role in the implementation of new ideas in the organizations.

Keywords: Organizational change, Employee attitude, Fear, Cynicism, Acceptance.

INTRODUCTION

The economic and political environment of organizations is changing constantly. Organizational change has become a way of life due to three reasons, viz. globalization, information technology and industry consolidation (Kanter, 2000)¹. Organizations should adapt to the dynamic business environment at least to sustain their market share, value and to survive. Organizational change is the demand of time in order to improve the internal and external functionality of the organizations. Change for organizations is necessary to encounter the diversities and the ever complex market situations (Ulrich, 1998)². Organizational change results in significant benefits to the organization such as, improved competitiveness, better financial performance, improved employees and customer satisfaction and ultimately leads the organization towards sustained improvement. But the change process is very challenging (Robbins, 1999)³. Organizational changes affect employees in many ways. Acceptance of change, opposition due to cynicism and attitude of resistance due to fear and uncertainty, ultimately affect the implementation of change in Organizations.

Organizational Change

In today's competitive world with change at an extraordinary rate, and the atmosphere within which organizations function is characterized by insecurity

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resulting from increased global competition, technological innovation and change, limited resources, deregulations and privatization (Carnall, 1995)⁴. Change is an unavoidable event arising from the dynamics of environment and it is expected for an organization that desires to grow, achieve its mission, vision and objectives. Organizations have to adapt to the environment to become competitive and stay ahead or at least keep afloat. Work processes and rules are revised, new equipments are introduced, product lines are dropped and added, and workforce is adjusted as internal and external conditions of change.

The change is on four basic aspects of the organization: its strategy, technology, structure and employees (Desler, 2007)⁵. Strategic change affects the way the company creates and markets its products or services. It covers the purpose and mission of the organization, its commercial philosophy on such matters as enlargement, improvement and values concerning employees and customers, competitive positioning and strategic goals for achieving and maintaining ready for action advantage and for product-market development (Armstrong, 2009)⁶. Structural change focused on reorganizing the plan and gathering the elements of the firm. This force engage to restore and allowed to go or adding personnel. Technological changes are mostly disturbed with automation of pressure of information and communications technology. This change is not only pleasing but also an on-going process as the force of technology prolongs to read out the destructive strength of business organizations. Employees may be changed through knowledge actions such as instruction, learning and growth plan. They need new direction to make sure that the organization continues rapidly with changes in the situation.

Need for Organizational Change

Organizational change is a vital issue in organizations. It is really a practice in which an organization optimizes performance as it works toward its perfect state. Organizational change happens as an effect to an ever-changing environment, an answer to a present calamity state, or is generated by a manager. Leading organizational changes is not just a course of modification, but also involves adequate administration capabilities.

Organizational change occurs as a reaction to an ever-changing environment or as a response to a current crisis situation. On the other side, a more positive viewpoint is that it is generated by a progressive manager. In addition, organizational change is mainly clear when the organization has just undergone and transmits of managerial power (Haveman, Russo and Meyer, 2001)⁷.

Van de Ven and Poole (1995)⁸ anticipated that the sources of organization change can be clarified by one of the following theories: teleological theory, life-cycle theory, and dialectical theory. In the teleological point of view organizational

change is an effort to attain an ultimate condition during an even process of goal-setting, implementation, assessment, and restructure. Life-cycle theory stated that the organization is a being that depends on the external environment, through stages of birth, growth, maturation, and declination. Dialectical theory hypothesized the organization as a multi-cultural society with reverse values. When one of the particular energy controls over others, a new organizational value and goal is recognized, ensuing in organizational change.

Attitude of Employees Towards Organizational Change

Thurstone (1931)⁹ described attitude towards organizational change as an employee's overall positive or negative evaluative decision of a change proposal implemented by their organization (Elias, 2009)¹⁰. It is the inner state that influences individual's alternative of personal action, or a response propensity towards the change (Bianey et. al., 2004)¹¹. It is the certain regularities of an individual's feelings, thoughts and inclination to act towards some aspect of his or her environment.

Business should commonly focus on planned change. To overcome resistance to change, organization should prepare a clear arrangement and change awareness among employees in order to generate well planned work surroundings and in proportion work agenda to reduce pressure and insecurity. Allport (1935)¹², defined attitude as a word related to psychology, and attitude differs from person to person perception. The main focus of research on attitude concerns the nature, function of attitude and how employees mould themselves towards change. The employee attitudes can influence character to formulate the response to change.

Koslowsky and Zeev (1990)¹³ commented that employees who are reliable towards the organization have a positive attitude regarding change. In other hand, employees who are not committed to the organization, has a negative attitude towards the change. Employee attitude brings positive or negative type of activities of employees during the change process. There are two types of employee's attitude towards change. One aspect of employees may have a negative attitude towards organizational change and are more likely to refuse to accept the change. And the other aspect of employees have a positive attitude towards organizational change are more likely to hold up to change.

Meyer (2002)¹⁴ stated that employees who are highly pleased with the organization have no reason for reporting negative attitude without any threat in common. Contented employees themselves show greater attention in organizational change behavior in ascertaining the goals and providing precise outcome. To effectively cope with permanent change in their business situation, organization should commonly focus on planned change. To overcome resistance to change, organization should prepare a clear arrangement and change awareness among employees in order to generate well planned work surroundings and in proportion work agenda to reduce pressure and insecurity.

Vakola and Nikolaou (2005)¹⁵ assessed the connection between employees' attitude towards organizational change and two most significant behaviors: occupational stress and organizational commitment by sampling 292 employees who had completed the organizational screening tool, ASSET, developed by (Cartwright and Cooper, 2002)¹⁶. Negative correlation was found between attitude towards organizational change and occupational stressors. Further, employees who had higher level of stress demonstrated lower organizational commitment and higher resistance towards organizational change initiatives. Organizational commitment was not a significant moderate of the relationship between occupational stress and attitude towards organizational change. Further the paper explored that employees need to be adequately trained and informed during change because effective communication reduces fear and uncertainty and, therefore, resistance to change. Furthermore, the results demonstrated a positive relationship between organizational commitment and positive attitudes to change.

James B. Avey (2008)¹⁷ examined the impact that positive employees have on organizational change. The study result suggested that employees' positive psychological capital and positive emotions is important in countering potential dysfunctional attitudes and behaviors relevant for organizational change. The positive resources of employees like psychological capital and emotions combat the negative reactions of cynicism and deviance. Taking a positive approach, this study has found that employees' positive resources directly and indirectly facilitate and enhance positive organizational change.

Eng & Ec. George Balan and Eng. & Ec. Mihail Aurel Titu (2009)¹⁸, the authors' intended to present the results of the research carried out at a modern organization regarding the influence of the attitude towards change. Most employees thought change was necessary, to clearly state new objectives or tasks for each employee. They believed that their institution was strong enough to adapt to any situation and the employees were willing to put into practice a change plan proposed by the organization.

Empirical study was done by (Cutcher, 2009)¹⁹ to explore the reasons for why and how employees resist organizational change among Australian credit union employees. Data were collected from the employees through semi-structured interviews. The survey revealed that employees resisted organizational change because they perceived threat of discontinuity in the organization and loss of self-identity as helping and caring individuals.

Alas et. al., (2009)²⁰ investigated how work-related values modifies employees' attitude towards organizational changes and organizational learning among 1,303 Chinese employees from 29 Chinese companies in Peking and Jinan provinces. The results demonstrated that better work-related values influenced employees' attitude towards organizational change and learning.

Alas, R. J Bus Ethics (2009)²¹ made a study with 747 in Estonian organizations contributed the relationship between work-related values, including ethics, and readiness to change. The author studied the impact of work-related values on attitude towards change and organizational learning. This study directed that work-related values predicted attitude towards change and organizational learning and ethical conduct is required by every organization to achieve a competitive advantage.

Myungweaonchoi (2011)²² in his paper discussed that organization are gradually required to advance in their capacity to improve employees hold on organizational change. Researchers have determined on various attitudinal constructs that represent employee's attitude towards organizational change. Change is not an incident divorced from organizational conditions from which the change appears. The history of change in the organization surely plays an important role in determining employee's attitudes towards organizational change.

Choi (2011)²³ conducted literature search in two stages to study employees' attitude towards organizational change. The review showed that employees' attitude towards organizational change were affected by situational variables, which included, readiness for change, commitment to change, openness to change and cynicism about organizational change. The author demonstrated that the constructs were susceptible to situational variables and there were possibilities that they might change over time as individuals' experience change.

Lan Coa (2013)²⁴ opined employee attitude is proactively determined by the environment and their individual objective and morals. Hechanova, (2003)²⁵ said that in order to make change valuable, employees need to feel sufficiently skilled and knowledgeable in particularly during change supportive statement which would reduce panic and doubt and therefore, opposition to change.

Rebeka and Indradevi (2015)²⁶ studied employees' perception towards organizational change. Data was collected through survey questionnaires developed by adopting the questionnaires used in various previous studies. Respondents were selected employees working in a private manufacturing firm in Vellore, Findings showed that employees' attitude were both positive and negative towards organizational change. With the aim of understanding the methods to be used on managerial methods during organizational change initiatives to ensure positive attitude from employees towards change was enforced. Yilmaz et. al., (2013)²⁷ study revealed that informing the employees about the change, consulting them, ensuring their participation in the change process would initiate the employees' positive attitude towards change and thus reduce their resistance towards change.

Vosloban RalucaIoana (2013)²⁸ underlined the most common reactions of employees during periods of change as it has a significant effect on change implementation and organizational performance. Change is generally associated with crisis and that is the reason for difficulty in managing it. The best method to deal with

the change is to make the employees identify the opportunities behind the change, benefits brought by the change, feel safe, feel they are part of the business and part of the organization itself, so that there is a positive attitude towards change.

Wageeh A. Nafei (2013)²⁹ made a study with three groups of employees at Teaching Hospitals in Egypt to find out the relationship between organizational cynicism and change. It was the first empirical work ever done so far in the field of organizational cynicism and its relation with organizational change. The evaluative attitudes of the employees towards organizational cynicism and change were investigated. The results revealed that there were differences among the three groups of employees regarding their evaluative attitudes towards organizational cynicism and change. Besides, the attitudes toward organizational cynicism and change are related. Hence, it becomes necessary for Organizations to pay more attention to organizational cynicism as a common phenomenon in organizations.

Sairakhatoon and Ayesha Farooq (2015)³⁰, developed a conceptual model to understand that employee's attitude is one of the most important determinants of successful organizational change and performance. The more employees are willing, the higher will be the commitment to their organization, and the greater will be the desire to accept organizational change. Employees have positive attitude towards change because change benefits all employees and would enhance work competence and effectiveness. As attitudes of employees are established as a background for change and performance, it is accomplished that employees would show some supportive attitudes and behavior. Thus, the positive attitudes of employees toward change and organizational performance will facilitate the organizations to achieve their goals and objectives.

CONCLUSION

The above appearances on the critical review of previous studies are related to the present study. The reviews were helpful in understanding the concept and the present situation on the study objectives. One of the most baffling and recalcitrant of the problems which business executives face is employee resistance to change. Resistance is usually created because of certain blind spots and employee attitudes with the technical aspects of new ideas. Management can take concrete steps to deal constructively with these employee attitudes. The steps include emphasizing new standards of performance and encouraging them to think in different ways, as well as making use of the fact that signs of resistance can serve as a practical warning signal in directing and timing technological changes. An organization must develop a new vision and a new faith in the workforce before it can approach the organizational change process. Managers must exhibit a trust in the workers to contribute to solving organizational problems, which in turn will build trust in management. The door must always be open for individuals to take an active role

in improving the organization, allowing for open communication, initiative, and team work in problem solving.

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