

ANALYSIS OF ATTITUDES AND BEHAVIOURS OF EMPLOYEES TOWARDS ORGANISATIONAL CHANGE

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ABSTRACT

This study focuses on employee workplace and demographic predictors to know the employee attitudes and behaviours regarding organisational change. Fifty six surveys out of hundred were returned from full time academics working in universities of Gujarat. The findings indicate significant relationships between readiness for change and workplace and demographic factors. First time supervisor and peer relations predictor has been examined to readiness for change. Results indicate positive and significant relationships between readiness for change and supervisor and peer relations. However, from demographic characteristics only two i.e. number of dependents and younger employees have positive and significant relationships to readiness for change. This study contribute in the literature on change management particularly for developing countries i.e. Gujarat and assist the management and practitioners of human resources management (HRM), organisational development (OD) and change agents in assessing, designing and evaluating new or existing programs for organisational change.

Keywords: Attitudes, Organisation, Employees, Behaviour

INTRODUCTION

The growing globalisation of business and increasing competition and technological advancement has led to an increasing need to change organisational policies and strategies (Hampel and Martinsons, 2009). The pace of challenges is increasing and thus organisational change is considered

unavoidable (Drucker, 1999). In organisation, most problems and challenges are generated by competition, advanced technology, mergers, expansion, product quality maintenance, or enhancing employee efficiency on the one hand and rapid growth, new business ventures, exciting opportunities, innovations, and new leadership and management approaches on the other (Madsen et al., 2005, p-213). To overcome these challenges, organisations are often under pressure for survival and stay competitive in future. In such adverse environment, employee attitudes and behaviours to accept organisational change is considered important for management and change agents for successful organisational change (Armenakis et al., 1993; Bernerth, 2004).

In fact, organisational change examines the capabilities of managers, employees and work environment. It affects employee attitudes and behaviours because of transferring a situation from the known to the unknown which can build up uncertainty, strain and anxiety among employees. Domain researchers focused on change that may have a serious negative impact on employee attitudes and productivity (Weber and Weber, 2001). Thus creating employee positive attitudes and behaviours researchers advocated on employee readiness as an important and dominant factor for promoting effective and successful organisational change programmes (Eby et al., 2000; Bernerth, 2004; Rafferty and Simon, 2006; Bareil et al. 2007). The dynamic concerned with organisational change is managing it effectively and successfully (Hanpachern et al., 1998). Thus managers, change agents, and researchers are anxious to deal with employees within organisations through readiness predictor variables.

Literature reveals individuals as the centre of analysis for the success of organisational change programs (Judge et al., 1999). In this regard many predictors like knowledge and skills, social relations in the workplace, organisational culture, management leadership relationships, logistical and occupational risks of change, ability to cope with change, to solve job related problems, social support; active vs. passive job; job demands, self-efficacy, appropriateness, management support, and personal valence (Hanpachern et al.,

1998; Cunningham et al., 2002; Miller et al., 2006; Holt et al., 2007). Eventually, relationships between employee and employer may be developed on the basis of the work environment that can stimulate the individual to utilize his/her abilities, efforts, experiences and skills. The work environment may support employees to develop commitment with the organisation because s/he sees the possibility of accomplishing their desires, needs and future expectations. By achieving these desires and needs employees may accept or develop positive attitudes and behaviours towards organisational change. On that basis this research set out to examine the employee attitudes and behaviours using supervisor and peer relations factor along with demographic characteristics. Relationship between supervisor and peer in literature has been found to transform knowledge from individual to individual, groups and organisation (Peroune, 2007). Thus the level of behaviour of the supervisor and peer found important for improvement, innovation and job satisfaction (Fullan and Pomfret, 1977; Deal and Celloti, 1980).

This study was conducted in a developing country i.e. India where work environment factors are important than in other countries for developing employees' positive attitudes and behaviours (Alvi and Ahmed, 1987; Chang, 1999). Indeed, developing country like India is struggling with high inflation, low growth, increased population, economic instability, new industrialisation and decentralisation (Nadvi and Robinson, 2004). The above highlights the need for research in the context of developing countries particularly in India, where the readiness predictors for change may be influenced by different socio-economic, political, religious and cultural factors (Fatima, 2002).

AIM AND OBJECTIVE

The aim of this study is to identify employee attitudes and behaviours towards organisational change. Objective of this study is to examine the supervisor and peer relations along with personal characteristics to know employee attitudes and behaviours towards organisational change in Indian organisation.

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

Change is concerned to solve the problems and challenges of the organisation. It might be small or large but affects employee attitudes and behaviours because of shifting from one stage to another. This particular situation can develop uncertainty, strain and anxiety among employees. A review of the literature undertaken by these researchers has revealed that an individual's attitudes and behaviours towards organisational change are influenced by employee readiness factors (Hanpachern *et al.*, 1998; Eby *et al.*, 2000; Miller *et al.*, 2006; Holt *et al.*, 2007; Cinite *et al.*, 2009).

In literature change has been defined break down existing structures and create new one (Chonko, 2004). It is transformation of an organisation between two points in time (Barnett and Carroll, 1995). Such situation can develop uncertainty, anxiety and ambiguity because of differences in individual life experiences, motivational levels, socio demographic characteristics, knowledge, attitudes, and behavioural patterns. To overcome the employees' nervousness management and change agents focused extensively on employee readiness predictor variables (Bernerth, 2004; Cinite *et al.*, 2009). According to the literature employee readiness factors have a significant impact in preparing them mentally and physically for immediate action (Madsen, 2003). Readiness is defined as an employee's beliefs, thoughts, and behaviours to accept the needs and capability of an organisation. It is known as a cognitive precursor to behaviours of either resistance or support (Armenakis *et al.*, 1993).

Literature reveals that many researchers have been examined predictor variables to know the employee attitudes and behaviours in the domain of change management. By getting 131 survey samples from a manufacturing company in the United States of America (USA), Hanpachern *et al.* (1998) found that margin in life and demographic variables of employees are related to readiness for change including job knowledge and skills, social relations in the workplace, organisational culture, and management leadership relationships have a significant impact on readiness to change. Cunningham *et al.* (2002)

examined logistical and occupational risks of change, the ability to cope with change and to solve job related problems, social support; active vs. passive job constructs to influence readiness for change in healthcare organisations. By applying survey questionnaire in four profit-oriented companies from northern Utah, Miller *et al.* (2006) focused on employees' readiness for change by examining three workplace factors-management/leader relationships, job knowledge and skills, and job demands and found a significant influence on employees' readiness for change. Rafferty and Simons (2006) focused on the factors that make readiness for two types of change like corporate transformation and fine-tuning. A recent research study conducted by Holt *et al.* (2007) received 464 questionnaire surveys from full-time employees in public and private companies in northern Utah. Researchers found that readiness for change is influenced by employees' beliefs of self-efficacy, appropriateness, management support, and personal valence.

The above literature reveals that employee and management have always needed to know the attitudes and behaviours regarding organisational change. Employee can develop their positive attitudes and behaviours towards the organisation on the basis of work place factors. These aspects of employee connected with the nature and quality of relationships between employees and an organisation (Oliver, 1990). This approach quite shows the individual's attachment in order to beliefs, willingness, and desires to maintain membership of the organisation. In literature, workplace factors has largely been revealed in the form of active and passive job, change efficacy, flexible policies and procedures, job knowledge and skills, management leadership relationships, social relationships at the workplace (Hanpachern,1998; Eby *et al.*, 2000; Cunningham *et al.* 2002; Madsen *et al.*, 2005; Miller *et al.*, 2006; Rafferty and Simons, 2006).

To develop individual's positive attitudes and behaviours workplace variables can affect employee attachment to the organisation. In the organisational behaviour domain, the term supervisor and peer relation has been

adopted to understand employee attitudes and behaviours regarding his/her work organisation or work. This factor was related to understanding the employees' feelings and thoughts (Gaertner and Nollen, 1989; Chang, 1999).

In organisations, supervisor and peer relationships have been applied to understand employees' attitudes and behaviours. Relationship between supervisor and peer in literature has been found to transform knowledge from individual to individual, groups and organisation (Peroune, 2007). It is commonly regarded as one's belief in the importance of hard work and frugality (Morrow, 1993). This relationship is useful to understand the employee's intention when s/he applied to re mapped the work commitment constellation (Morrow, 1993). Goulet and Singh (2002) applied this term to know employee attitudes and behaviours regarding career commitment and found positive results. Thus the level of behaviour of the supervisor and peer found important for improvement, innovation and job satisfaction (Fullan and Pomfret, 1977; Deal and Celloti, 1980). With the help of supervisor and peer relations, this study is based on the assumption that employee who are working together have affect on each other's behaviour (Montgomery and Seefeldt, 1986). Thus researchers have developed the following hypothesis to examine employee attitudes and behaviours towards organisational changes.

H1: There is a significant positive relationship between supervisor and peer relations and employee readiness for organisational change.

Apart from the above predictor, demography may also play an important role in the domain of organisational behaviour. To develop individual attitudes and behaviours this factor is to be counted as an imperative for developing individual's cognition. In the literature these factors are known as extra related or family situation factors and include different variables like age, gender, marital status, tenure in company, tenure in position, job status, spouse, children, education (Mottaz, 1988; Madsen *et al.*, 2005). In organisational behaviour domain, this factor has a mixed response on individual decisions. Aryee and Tan (1992) describe that family situations do not have any significant

effect on attitudes and behaviours towards career commitment. But most researchers and practitioners claim that extra work related factors commonly affect attitudes and behaviours because of family dependency (Blau, 1985; Madsen *et al.*, 2005). However, with increasing dependency and the associated need for psychological attachment, employees may actually become more positive towards the organisational change (Madsen *et al.*, 2005). On the basis of this conception researcher intends to examine the following hypothesis that may relate with employee readiness for organisational change.

H2: There is a significant positive relationship between demography and employee readiness for organisational change.

RESEARCH METHODOLOGY

This is a cross sectional study which attempts to examine the relationships of independent and dependent variables by applying self-administered survey questionnaire. This study is based on literature review and conceptual framework and developed hypotheses to examine the relations between independent and dependent variables. The procedure adopted for this research follows a quantitative approach for data collection and analysis. According to Gilbert (2001, p-19), the positivism paradigm uses deduction, beginning with hypotheses.

Participants

Participants were full time academics from institutions of Gujarat. A sample of 100 faculty members were selected randomly from various levels of academic i.e. professors, associate professors, assistant professors, and lecturers.

Procedure

The survey instrument was administered to the participants via a mix of email, post and personal visits. Before sending out the questionnaire, participants were contacted to ascertain their willingness to take part in the study. After gaining an affirmative response, each participant was sent a survey questionnaire, a formal consent form and a covering letter mentioning the purpose of the study and

instructions on how to complete the survey instrument. In case of no response from a participant after two weeks of sending them the survey pack, three reminders were issued requesting them to return the completed survey questionnaire. Those who did not respond despite three reminders were dropped from the study and regarded as non responders. The participant were administered a survey instrument in English language.

Measurement Scales

Survey questionnaire has been developed on the basis of what kind of information needed. In this study, independent variable such as supervisor and peer relations and demographic characteristics and dependent variable i.e. readiness for organisational change were used to examine the employee attitudes and behaviours. These variables have been carried out with many options of Likert Scales for the variety of choice of individuals.

Supervisor and Peer Relations

Six items with a five-point Likert scale (1= Strongly Disagree and 5= Strongly Agree) concerning employee perception of supervisors' support and advice on employee career reported by Gaertner and Nollen (1989) were used for this factor.

Readiness for organisational change

Fourteen items applied by Madsen *et al.* (2005) based on Hanpachern's original Scale (with slightly alterations), which is based on McNabb and Sepic (1995). Participants were asked to tick one of seven numbers on a Likert Scale (1 = Very Unlikely and 7 = Very likely).

Demography

Demographics included gender, age range, marital status, present employment status, and highest educational level, number of dependent, years on their present job and years with present employer.

Data Analysis

Analytical techniques were used to analyse the results of descriptive statistics to describe the demographic and general results. Although Pearson correlations of dependent variable i.e. readiness for organisational change to independent variable i.e. supervisor and peer relation and demographic were used to test the magnitude and direction of relationships of variables. To predict the output of variables multiple regression tests is robust in social science and psychological domain. It is an appropriate and most widely used method for investigating the relationship between a dependent variable and two or more independent variables due to its well developed underlying statistical theory (Hair *et al.*, 2005, p-18; Montgomery *et al.*, 2001, p-xii). The hypotheses were tested using the Multiple Regression Analysis (MRA). Finally, multi analysis of variances (MANOVA) applied to find the relationships between change readiness and demographic characteristics.

FINDINGS

Sampling

Of the 100 questionnaires distributed among faculty members from 33 different public sector universities, 55 were returned, showing a response rate of 55%. Details of the participants (Table 1) show that 62% participants were male and 36 % were between 31 to 40 years of age. The majority (60.2%) of the participants were married and a substantial number (30.1%) had three to four dependents. The majority of respondents comprised lecturers (40.7%). About 42% had a master's degree as the highest educational qualification. The majority of respondents (36.5%) had remained in their present job from one to five years and most of them (26.8%) were working with their current employer over the same period.

DISCUSSION

This research study is related to examine the employee attitudes, beliefs, and behaviours to readiness for organisational change. The relationship between

supervisor and peer relations and demography characteristics to employee readiness for organisational change was the focus of the research. By applying survey questionnaire, overall results of the scales were found reliable, as indicated by Cronbach's alpha ($\alpha = .87$), which shows high internal consistency among various scales included in this survey questionnaire. However, reliability of individual scales was different from each other in which readiness for change scales reliability ($\alpha = .82$) and supervisor and peer relation factor reliability ($\alpha = .85$). For data collection, a random sampling was carried out among full time employees of 33 public sector institutions. Of the 100 questionnaires distributed, 55 were returned, indicating response rate of 55%. In this study two hypotheses were developed on the basis of relationship between independent variables i.e. supervisor and peer relations and demographic characteristics and dependent variable i.e. readiness for organisational change. Both hypotheses namely (H1 and H2) were accepted. The general findings from this study reveal that supervisor and peer relation and employee demographic characteristics were considered to be predictive employee readiness predictor for organisational change. The first factor was used supervisor and peer relation which is related to the attitudes and behaviours of employees (Gaertner and Nollen, 1989; Chang, 1999; Goulet and Singh, 2002). The notable finding of this study was that employees are open and ready to accept change by supervisor and peer support. In previous research, this factor was investigated employee attitudes and behaviours for career commitment and found positive and significant results. In this research first time this factor was used to know the employee attitudes and behaviours regarding organisational change and results supported hypothesis (H1) that supervisor and peer relations has positive impact on readiness for organisational change. According to Madsen *et al.* (2005, p-228) positive feeling, attitudes, and perceptions of workplace peers, subordinates, and even supervisors may facilitate an environment more conducive to individual willingness and openness for organisation change. Our study also found that employees who had positive relationships with his/her supervisor and peer felt more open and ready for organisational change. The relationships between the

research factors and demographic characteristics were interesting as there was relationship between an employees' number of dependents and readiness for organisational change. In literature no such relationship was found except Madsen *et al.* (2005) found that more children to employee had the more openness for organisation change. Our study also found that employees who had more dependents felt more open and ready for organisational change. Other correlations include present employment status and readiness for change and marital status and supervisor and peer relations. In previous research, what researchers have revealed literature this relation was not investigated. In this research first time this relation was found regarding employee attitudes and behaviours. Thus it is important to note that younger employee is more ready and open for organisational change than to older. In addition it is important to note that employee who are married have a strong relationships to their supervisor and peer in the organisation.

LIMITATIONS AND IMPLICATIONS

Three limitations deserve consideration when interpreting study results. First limitation is the use of single source data. A survey questionnaire may not provide deeper opinions and feelings of employees. The second limitation is limited antecedents examined to readiness for change. Data were gathered from a single type of organisation is a third limitation of this study. The contribution of this study is based on the development of a comprehensive theoretical framework that examines the factors that influence the individual attitudes and behaviours for organisational change in public sector higher educational institutions of Gujarat. This study may contribute to Human Resource Development (HRD), Organisational Development (OD), and change management literature. According to Hanpachern *et al.* (1998) that HRD and OD practitioners focused on employee work life satisfaction and well-being. Thus, this study revealed on employee readiness for change in order to satisfaction his or her workplace needs. This study can support to the managers,

change agents, and change practitioners in assessing, designing, and evaluating new and existing organisational change programs.

CONCLUSIONS

Employee attitudes and behaviours can be influenced through workplace factors according to literature review. A conceptual approach has been developed which encompasses a number of factors i.e. supervisor and peer relations, employee readiness and demographic characteristics. This study demonstrates the impact of these factors to readiness for organisational change. Results showed positively significant correlations between scales, which confirmed that employee could develop their attitudes and behaviours on the basis of supervisor and peer relations. However, from demographic characteristics interesting results were found such that relationship between employees number of dependents and readiness for organisational change. In literature no such relationship was found like that more children to employee had the more openness for organisational change. Our study also found that employee who had more dependents felt more open and ready for organisational change. Other correlations including present employment status and readiness for change and marital status and supervisor and peer relations was confirmed in this study. These relations highlight the need to consider these factors within policy and strategy to promote employee openness and readiness for organisational change.

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