Innovation Management and Education Excellence Vision 2020: Regional Development to Global Economic Growth

Employees' Attitudes towards Organizational Change and Its Effects on Employee Commitment

Adeniji, Chinyerem G.

Covenant University Otta, Nigeria. Email: chinyerem.adeniji@covenantuniversity.edu.ng

Iyiola, Oluwole O., (DBA)

Covenant University Otta, Nigeria. Email: dele.iyiola@covenantuniversity.edu.ng

Agboola, Mayowa G.

Covenant University Otta, Nigeria. Email: agboola.gbenga@covenantuniversity.edu.ng

Akinbode Mosunmola

Covenant University Otta, Nigeria. Email: mosun.akinbode@covenantuniversity.edu.ng

Epetimehin, Samuel O.

Covenant University Otta, Nigeria. Email: oluwagbenga.epetimehin@covenantuniversity.edu.ng

Abstract

Organizations are expected to enhance their capacity to ensure employees are provided with the necessary support for the acceptance for change initiatives. Review of relevant literature reveals that high extents of organizational activities towards acceptance of change are unsuccessful as studies have generally agreed that employee resistance is one of the leading causes for the failure of change initiatives (Bovey and Hede, 2001; Beer and Nohria, 2000). In studies that have inspected the conditions in which workers support authoritative change, specialists have concentrated on different attitudinal factors that represents employees' states of mind toward hierarchical change. These factors include preparation for change, responsibility to change, openness to change, and pessimism about authoritative change. These factors have distinct meaning and implications for the organization and thus serve as representative assessment of employees' evaluation and worries about specific change activities. This study examines the attitudes of employees towards organizational change through review of relevant literature and discusses how attitudinal factors relate to organizational change, the inherent antecedents of each factor and its influence on employee commitment. Based on the discussion, possible recommendations will be made for industry practitioners and policy makers.

Keywords: Employee Attitude, Employee Commitment, Organizational Change

1. Introduction

Organizations are continually faced with challenges in other to compete effectively with the global environments; so changes in the structure, processes and individuals within the workplace are planned, strategized and implemented to successfully meet up with the global demands (Fuchs and Prouska 2014). Recent literatures (Battistellia, Montania, Odoardib, Vandenberghec and Picci, 2014; Sofat, Kiran and Kaushik, 2015) have indicated that some of these change programs succeed while others do not because some employees' resist organizational change due to fear of losing their jobs, distress and anger when it is not properly managed. The success of any organization therefore, lies in fostering an effective method in which employees' can be prepared to accept change as they are the central implementers of the change programs and which in turn bring about commitment of employees' to the organization.

Committed employees' will bring about organizational effectiveness and performance (Wasiu, 2013) and serve as a vital force in sustaining competitive edge over other organizations (Akintayo, 2010) thus, producing a healthy organizational climate, increased morale, motivation and productivity (Salami 2008). Sofat et al., (2015) outline employees commitment such as on the effect of organizational processes on commitment such as performance various researchers (Salami, 2008; Akintayo, 2010; Wasiu, 2013) have found that most (Nigerian) workers exhibit low levels of commitment to their organizations and these researchers believe that when management is aware of how employee attitudes towards organization and place priority on effective mechanisms to prepare employees for organizational change, employees will have high level of commitment to the organization. This paper thus examined how employee attitude towards organizational change will affect employee commitment. We reviewed literature on employee attitude towards organizational change, employees' commitment and the relationship between employees' commitment and employee attitude towards organizational change.

2. Literature Review

Change is inescapable for any lively and successful organization. The terminology 'change' is often referred to as a system of secluded periodic changes that occur in one or more organizational domains like individuals, structure, and technology (Romanelli & Tushman, 1994). Organizational change is defined as the adoption of a new idea or behavior by an organization (Daft, 2005). It can also be defined as the procedure of constantly reintroducing the organizations direction, structure and capabilities to serve the ever - changing needs of internal and external customers (Mora & Brightman, 2001). These types of changes occurring in the organization have a tendency to be formal, planned, and goal directed in nature. The change in organizations is activated by inner and outside factors of all shapes, forms and sizes (Balogun & Hope-Hailey, 2004; Carnall, 2003).

The external pressures that initiate change include market place, production and process, labor markets, government laws and regulations, technology, social events, political and also the internationalization of business (Pfeffer, 1994). Various factors, from within the organization can also generate change, and this may include administrative processes, employment policies, people problems and business policies (Lunenburg, 2010). Nevertheless, according to Lane & Klenke (2004) it is equally important for managers to have the ability and acquire essential skills required to oversee the fluctuating degree of instability and balance effect the necessary changes within the organization.

3. Why the Need for Organizational Change?

Globalization in recent years has been a major reason for the introduction of changes in the organization (Battistellia et al., 2014). This is as a result of new innovation, restructuring, re-engineering and improvement in the total quality management as they compete for survival and to have a competitive edge over other firms. In view of today's pronounced evidence(s) that organizations are faced on a regular basis with the need for change; a noteworthy challenge for organizations is to develop both a culture or climate and leadership strategies that allow them to handle difficulties such as, the introduction of new technology, global competition, downsizing, re-engineering and flattening structures (Waddell,

Cummings, & Worley, 2011).

Forces from both the internal and external business environment result in organizations adapting to new ways of handling business operations. In the view of severe global competition, it is essential for organizations to have the quick-wittedness to accept new changes and adapts to survive (Gondo, Patterson, & Palacios, 2013). Discovering the behavioral origins of employee reactions to change is an important part of understanding the recipe for tractability, endurance, and organizational success.

Elias (2009) distinguished between the organization's external and internal environments in which the forces of change can take place. The internal environment involves aspects such as people, structure, process, strategy, internal business policies and life cycle stages and external environment involves technological, political/legislative, economic and socio-cultural environments. All these factors serve as catalyst for organizational change (Lunenburg, 2010).

Change within the organization is necessary to meet up with the demands of adoption of technology as this enhances production and avoids wastage of time. Technology represents changes that allow organizations to learn more, more quickly, than ever before (Agboola, 2014). Apart from adoption of technology, another major reason why organizations need to introduce changes is to meet up with consumer needs. In view of the current trend globally, organisations must strive to meet consumers' need by making new interest for new sorts of products thereby creating new avenues for organisations to address these needs.

These factors make changes within the organization necessary. How management communicates these factors to the employees will determine how they respond which either could be by exhibiting strong positive attitude (excitement, readiness) to strong negative attitude (anger, resistance) to work. Pederit (2000) posits that change in an organization can be positively or negatively received by employees, which may lead employees to lending support to the stability of change or opposing change in the organization.

According to Hettiararchchi and Jayarathna (2014) employee attitudes are a reflection of their broad values and beliefs which lead to the improvement of individual assessments and preferences, and contributing emphatically to how they make decisions in their daily work routine and this can have a ripple effects on the overall productivity of the organization. Also, Visagie (2010) defined employee attitudes toward organizational change as certain uniformities of an individual's sentiments, views and inclinations to act towards some aspects of his or her environment. It then becomes very important for management to put under consideration employees' attitude and response to change if it must achieve its organizational goals and objectives.

4. Organization Communication of Change

One major approach to a successful implementation of change is through the establishment of good communication process and information strategies within the organization; as communication is well recognized as influential to organizational growth and survival (Bordia, Hobman, Jones, Gallois, & Callan, 2004). Institutions today are encumbered with the requirement for change. A noteworthy challenge for institutions is to create both a society and an environment equipped with the administration techniques that permit them to adapt to organizational difficulties. An administrative technique such as cutting back on costs, smoothing structures, local/global competition, and the introduction of new innovation was identified (Waddell et al., 2011). Establishment of good organizational communication process has been identified as a major way to ensure effective execution of change process. This has served as a main thrust in the measurement of how organizations communicate the change process they desire within the organization (Downs, DeWine, and Greenbaum, 1994).

Garvin (2000); Pardo and Martinez (2003) and Waddell et al., (2011) have revealed that employees stand up to change when they are not certain about its outcomes. This could be as a result of the absence of structured communication process within the organization and lack of proper information, leading to the development of tension and anxiety connected with the change process. Structured communication process with the organization about the progressions and outcomes of change process could decrease the nervousness associated with change (Argyris and Schön, 1996). This emphasizes the importance of structured organizational communication process and the need for the development of information strategies as part of overseeing the change process. The involvement of employees in communicating and implementing the change process within the organization was identified an effective strategy in ensuring proper communication strategy of the change process (Waddell et al., 2011). This could ensure that employees' anxiety, tensions and concerns regarding the outcome of implementing organizational change are represented and in this way expand the inspiration to actualize the change process

5. Resistance Behavior to Change

According to Palmer (2004) employees should be seen as major players of any form of organizational change. However, resistance by employees is one of the biggest problems to deal with; therefore, scholars determined several different variables as the main forerunners of the change response. Lewin (1945) clarifies in a coherent manner associated with the laws of physics that a change does not occur if the factors of a force that produces change are met with similar oncoming factors of a force that generates resistance to change. Psychologist Conner (1998) justify that human resistance to change is a completely regular procedure; as it is human instinct to practice hostility to a procedure loaded with ambiguities and fears that make inconvenience and questions.

Employees' resistance to change has been widely studied by researchers over the years. Employees' objections to organizational change can be (are assumed to be) more or less based on their emotions; and is an important aspect because by referring to objections as emotional, it becomes easier for managers to legitimized and ignore them (Bringselius, 2014). Employees' resistance to change has led to different conceptualization change based on the notion that employees would naturally prevent the implementation of organizational change (Piderit, 2000). Contrary to previous conceptualization of resistance to change as restraining forces in human behavior preventing the implementation of change process, recently resistance to change has received a more positive point of view, been viewed as a natural characteristic of human behavior that can be useful for an organization as it relates to change implementation (Piderit, 2000; Giangreco, 2002). This implies that employees' resistance might provide more insights such as feedback and outcomes on the implementation of an organizations change process. Also it has been identified that resistance does not consequently happen when a change is occurring, but it presents outcomes of other issues' (Giangreco, 2002; Rousseau, 2003). Resistance to change is no more seen as simply behavioral as identified by Rousseau (2003), but it reveals the significance of cognitive and the emotional aspects of employees' reactions implementing the change process. As an after effect of change, employees' assesses the outcome of the change process be it advantageous for them or not. Such cognitive and emotional feelings are imperative determinants of organizations related results, which could be reflected as work fulfillment, employee turnover and retention with the organization as identified (Oreg, 2006).

According to Piderit (2000) resistance to change has been conceptualized into three dimensions such as affective, behavioral and cognitive components which involves an integrative process of providing a comprehensive human reactions organization change as employees thought, emotional feelings and behavior towards change are inconsistent and are not as much in accordance with each other.

Affective dimension deals with the positive or negative sentiments of employees' when faced with change. These include temperaments such as anger, emotional feelings like displeasure, tension and anxiety. The more negative these emotions are, the higher the emotional resistance to change. Behavioral

dimension includes all actions or activities taken in response to change. This could be either positive or negative such as grumbling to the implementation process of change or persuading other that the outcome of the change might be favorable or unfavorable which are all forms of behavioral resistance to change (Oreg, 2006). Cognitive dimension has been conceptualized as the psychological component of resistance to change comprising of employees' thought patterns as it relates to organizational change; thus employee in discerning the positive or negative benefits of organizational change uses this dimension.

6. Employee Commitment during change

Due to the growing interest in understanding how employees' reacts to change reflects the belief among researchers and practitioners that individuals' psychological experience can dramatically affect successful implementation of change initiatives (Herold, Fedor and Caldwell 2007). According to Battistelli et al., (2014) "the concerns about change are highly conducive to affective, normative and continuance commitment to change; as it has significantly interacted with innovative behavior in predicting affective commitment to change, such that employees' engagement in innovative courses of actions could buffer the negative effects of concerns." These outcomes suggest that endorsing and reassuring innovation in the workplace represents a valuable means for coping with intense change- related demands, thereby enhancing individual and organizational involvement in the change initiatives (Battistelli et al., 2014).

Employees can experience diverse stages and formulae of anxieties throughout the change process; various levels and forms of concerns can differ, contingent on both personal and situational effects; and concerns can affect the efficiency of change efforts by aggravating negative results on a number of change-related activities and outcomes (i. e. commitment to change), at both the individual and the organizational levels. When change is underway, employees with a high level of psychological resilience are likely to experience more positive emotions than will employees with a low level of psychological resilience. These emotions then help them view the change processes and outcomes more optimistically and, thus, respond to organizational change more favorably (Shin, Taylor, & Seo, 2012).

Any change in an organization can lead to an unforeseen decline in performance especially when it is perceived by employees that such changes will affect work styles (Ye, Marinova, & Singh, 2007); furthermore, even when performance will improve in the future, it may sometimes decline.

7. Discussions

As a consequence of continuous globalization, political developments and evolving markets, the degree of organizational change has remarkably broadened in the most recent decades. Organizations value employees who are willing and ready to react emphatically to change, since trust depends on satisfying common desires and are essential determinants of an effective organizational change.

Managers should recognize that employees must perceive reasons or pressures for bringing changes in different change levers in right perspective. They should take appropriate change activities so that there is less resistance of change. If managers manage changes effectively there will be high organizational commitment (affective, normative and continuance) of employees.

The relevance of the results and conclusions are interpreted focusing the impact of organizational change on relevant organizational commitment. It is important to note that change initiatives in the organization may have a positive important impact on the organizational commitment of the employees. This paper will therefore help policy makers of organization to take effective change initiatives for bringing changes in each change lever for better results in organizational commitment.

Reference

Ahearne, M., Lam, S. K., Mathieu, J. E., & Bolander, W. (2010). Why some salespeople better at adapting to organizational change? *Journal of Marketing*, 74(3), 65–79. Agboola, G. M. (2014). *Employee Attitude Towards Attributes Of Technological Change As A Determinant Of Organizational Performance In Nigerian Commercial Banks*. A Ph.D Thesis submitted to Covenant University.

Argyris, C., & Schön, D. (1996). *Organizational learning II: Theory, Method and Practice* Reading, MA: Addison-Wesley.

Akintayo, D. I. (2010). Work-Family Role Conflict and Organizational Commitment Among Industrial Workers in Nigeria. *Journal of Psychology and Counselling*. 2(1), 1-8.

Balogun, J., & Hope-Hailey, V. (2004). Exploring Strategic Change, 2nd edn. London: Prentice Hall.

Battistellia, A., Montania, F., Odoardib, C., Vandenberghec C., & Picci, P. (2014). Employees' concerns about change and commitment to change among Italian organizations: the moderating role of innovative work behavior. *The International Journal of Human Resource Management*, 25(7), 951–978.

Bordia, P., Hobman, E., Jones, E., Gallois, C., & Callan, V. J. (2004). Uncertainty duing organizational change: Types, consequences, and management strategies. *Journal of Business and Psychology*, 18(4), 507-532.

Bringselius, L. (Spring 2014). Employee Objections to Organizational Change: Framework for Addressing Management Responses. *Organization Development Journal*, 41-54.

Carnall, C. (2003). Managing Change in Organizations, 4th edn. Harlow: Prentice Hall.

Conner, D. R. (1998). Managing at the speed of change. How resilient managers succeed and prosper where others fail. Chichester: Wiley.

Daft, R. L. (2005). *Types of Planned Change*. In R. L. Daft, Management Sixth Edition (p. 387). Chennai: Thoman South Western.

Downs, C. W., DeWine, S., & Greenbaum, H. H. (1994). Measures of organizational communication. In R. B. Rubin, P. Palmgreen, H.-E. Sypher, et al. (Eds.), Communication Research Measures: A sourcebook (pp. 57-78). New York, NY: Guilford Press.

Elias, S. (2009). Employee Commitment in times of Change: Assessing the Importance of Attitudes towards Organizational Change. *Journal of Management*, 35(1), 37–55.

Fuchs, S., & Prouska, R. (2014). Creating Positive Employee Change Evaluation: The Role of Different Levels of Organizational Support and Change Participation. *Journal of Change Management*, 14(3), 361–383.

Garvin, D. (2000). Learning in action. Cambridge, MA: Harvard Business School Press.

Giangreco, A. (2002) 'Conceptualization and operationalization of resistance to change', *Liuc papers* 103: 1–28.

Gondo, M., Patterson, K. W., & Palacios, S. (2013). Mind-fulness and the development of a readiness for change. *Journal of Change Management*, 13(1), 36-51.

Hettiararchchi, H. A., & Jayarathna, S. M. (2014). The Effect of Employee Work Related Attitudes on Employee Job Performance: A Study of Tertiary and Vocational Education Sector in Sri Lanka. *Journal of Business and Management*, 16 (4), 74 – 83.

Herold, D. M., Fedor, D. B., & Caldwell, S. D. (2007). Beyond Change Management: A Multi-Level Investigation of Contextual and Personal Influences on Employees' Commitment to Change, *Journal of Applied Psychology*, 92, 942–951.

Lane, M. S., & Klenke, K. (2004). The ambiguity toler- ance interface: A modified social cognitive model for leading under uncertainty. *Journal of Leadership & Organizational Studies*, 10(3), 69-81.

Lewin, K. (1945). The research center for group dynamics at Massachusetts Institute of Technology. *Sociometry*, 8(2), 126–136.

Lunenburg, F. (2010). Approaches to Managing Organizational Change. *International Journal of Scholarly Academic Intellectual Diversity*, 2 (1), 1-10.

Mora, J., & Brightman, B. K. (2001). 'Leading organizational change. *Career Development International*, 6(2), 111-118.

Oreg, S. (2006). Personality, context and resistance to organizational change. *European Journal Work and Organizational Psychology* 15: 73–101.

Pardo del Val, M., & Martinez Fuentes, C. (2003). Resistance to change: A Literature Review and Empirical study. *Management Decision*, 41(2), 148-155.

Pfeffer,J. (1994). Competitive advantage through people.. Boston: Harvard Business School Press. Piderit, S. K. (2000). Rethinking Resistance and Recognizing Ambivalence: A Multidimensional View of Attitudes toward an Organizational Change. *Academy of Management Review*, 25, 783 – 794.

Romanelli, E., & Tushman, M. (1994). Transformation as Punctuated Equilibrium: An Empirical Test. *Organizational Academy of Management Journal*, 1141-1166.

Rousseau, D. M. (2003). Extending the psychology of the psychological contract: a reply to putting psychology back into psychological contracts. *Journal of Management Inquiry* 12: 229–38.

Salami, O. S. (2008). Demographic and Psychological Factors Predicting Organizational Commitment among Empirical Study on Impact of Organizational Industrial Workers. *Anthropologist*, 10(1), 31-38.

Shin, J., Taylor, S., & Seo, M. (2012). Resources for Change: The Relationships of Organizational inducements and psychological resilience to Employees' attitudes and behaviors toward organizational change. *Academy of Management Journal* 55 (3), 727–748.

Sofat, K., Kiran, R., & Kaushik, S. (2015). Management of Organizational Change and its Impact on Commitment: A Study of Select Indian IT Companies. *Global Business and Management Research: An International Journal*. 7(3), 69-86.

Waddell, D., Cummings, T., & Worley, C. (2011). *Organizational change: Development & transformation*. South Melbourne, Australia: Cengage Learning.

Wanberg, C. R., & Banas, J. T. (2000). Predictors and outcomes to changes in a reorganizing workplace. *Journal of Applied Psychology*, 85(1), 132-142.

Visagie, C. (2010). The Relationship between Employee Attitudes towards Planned Organizational Change and Organizational Commitment: An Investigation of a Selected Case within the South African Telecommunications Industry. A Masters' of Technology Thesis Presented to the Cape Peninsula University of Technology.

Waddell, D., Cummings, T., & Worley, C. (2011). *Organizational change: Development & transformation*. South Melbourne, Australia: Cengage Learning.

Wasiu, S. (2013). A Study of Causes of Poor Attitude to Work among workers of both Public and Private Sectors Organizations in Bauchi State-Nigeria, *International Journal of Academic Research in Business and Social Sciences*. 3 (7), 2222-6990

Ye, J., Marinova, D., & Singh, J. (2007). Strategic change implementation and performance loss in the frontlines. *Journal of Marketing*, 71(4), 156–171.