

**EMPLOYEE RESISTANCE TOWARDS ORGANIZATIONAL CHANGE****VINAY CHAITANYA GANTA, Senior Research Fellow (Ph.D)****Department of Commerce and Management Studies****Andhra University, Visakhapatnam – 530003****Dr. E.APPARAO, Professor****Department of Management Studies****Rajiv Gandhi Institute of Management and Science****Atchempeta, Kakinada-533005****East Godavari District, Andhra Pradesh**

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**ABSTRACT**

In the present global scenario every organization trying to change, it occurs through transition from its current state to some desired future state. Employee resistance to change is a complex issue facing management in the complex and ever-evolving organization of today. The process of change is ubiquitous, and employee resistance has been identified as a critically important contributor to the failure of many well-intend and well-conceived efforts to initiate change within the organization. In order to facilitate a smooth transition from the old to the new, organizations must be competent in effective change management. The process of change management consists of getting of those involved and affected to accept the introduced changes as well as manage any resistance to them. Organizations depend on and must interact with their external environment in order to survive and grow. They get inputs from their environment transform them through various processes and export outputs to the environment. Pressures for change are created both by external and internal forces. 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 the change. Managing organizational change is the process of planning and implementing change in organizations in such a way as to minimize employee resistance and cost to the organization, while also maximizing the effectiveness of the change effort. In this paper we would like to emphasis on the factors affecting the employees to resist the organizational change. Even we would like to discuss brief about the people acceptance towards organizational change.

**KEYWORDS: ORGANIZATIONAL CHANGE, EMPLOYEE RESISTANCE, REASONS METHODS AND TECHNIQUES**

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## **I. INTRODUCTION**

The process of change is simply moving from the current way of doing things to a new and different way of doing things. Bridges (1991) believes that it is not the actual change that individuals resist, but rather the transition that must be made to accommodate the change. Change is not the same as transition. Change is situational the new site, the new boss, the new team roles, and the new policy. Transition is the psychological process people go through to come to terms with the new situation. In today's economy, change is all-pervasive in organizations. It happens continuously, and often at rapid speed. Because change has become an everyday part of organizational dynamics, employees who resist change can actually cripple an organization. Resistance is an inevitable response to any major change. Individuals naturally rush to defend the status quo if they feel their security or status is threatened. Organizational change can generate skepticism and resistance in employees, making it sometimes difficult or impossible to implement organizational improvements. If management does not understand, accept and make an effort to work with resistance, it can undermine even the most well-intentioned and well-conceived change efforts. Management's ability to achieve maximum benefits from change depends in part of how effectively they create and maintain a climate that minimizes resistant behavior and encourages acceptance and support.

Organizational change is usually provoked by some outside driving force, such as substantial cuts in funding, major new markets, a need for dramatic increases in productivity and/or services, or a strong new competitor in the market. Typically, organizations must undertake organization wide change to evolve to a different level in their life cycle. Organization-wide change is difficult and provokes strong resistance because people are afraid of the unknown, they don't share a vision of the future, or they don't understand the need for change. Many are inherently cynical about change, particularly from hearing about the notion of "change" as if it's a mantra. Many doubt there are effective means in place with which to accomplish major organizational change. Often there are conflicting goals in the plan for organizational change, e.g., increasing resources to accomplish the change while cutting costs to remain viable.

Resistance to change has been recognized one of the important factors that can influence the success of organizational changes, including new technology innovation, new policies, and new organizational structure. Resistance to change has been recognized one of the important factors that can influence the success of organizational changes, including new technology innovation, new policies, and new organizational structure. Maurer (1996) indicated that half to two-thirds of all major corporate change efforts fail, and resistance is the little-recognized but critically important contributor to that failure. It's not possible to be aware of all sources of resistance to change. Expecting that there will be resistance to change and being prepared to manage it is a proactive step. Recognizing behaviors that indicate possible resistance will raise awareness of the need to address the concerns.

## **II. CONCEPT OF RESISTANCE TOWARDS ORGANIZATIONAL CHANGE**

Adapting to changing goals and demands has become less of a challenge for organizations facing global competition, but the task seems to have become more complicated in terms of ensuring in

advance that employees can handle the change. In the profit sector, global market share growth and political shifts have opened more new markets for products and services than ever before. To respond to the pace of change, organizations are adopting flatter and more responsive and agile structures and more empowering, team-oriented cultures. As a result, employees are coming to expect involvement in decisions about organizational change. Successful organizational adaptation is increasingly reliant on generating employee support and enthusiasm for proposed changes, rather than merely overcoming resistance.

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Recent studies of resistance to change have focused on behavior reaction. Brower and Abolafia (1995) defined resistance as a particular kind of action or inaction, while Ashforth and Mael (1998) defined it as intentional acts of commission (defiance) or omission. Shapiro, Lewicki, and Devine (1995) noted that willingness to deceive authorities constitutes resistance to change, while Sagie, Elizur, and Greenbaum (1985) used compliant behavior as evidence of reduced resistance.

In the 1940's, social psychologist Kurt Lewin first introduced the idea of managing and removing "resistance" to proposed changes occurring within organizations. His early work focused on the aspects of individual behavior that must be addressed in order to bring about effective organizational change. Argyris and Schon (1974, 1978) noted that resistance to change is a defense mechanism caused by frustration and anxiety. Zaltman & Duncan (1977) define resistance as "any conduct that serves to maintain the status quo in the face of pressure to alter the status quo". In the view of Folger & Skarlicki (1999) resistance is defined as "employee behavior that seeks to challenge, disrupt, or invert prevailing assumptions, discourses, and power relations". Armenakis, Harris, and Mossholder (1993) define resistance in behavioral terms but suggest that another state precedes it: is a cognitive state they call (un)-readiness.

Morgan (1997) states that: Lewin suggested that any potential change is resisted by forces in the opposite direction. The idea is similar to the dialectical principle that everything generates its opposite. But within Lewin's framework, the forces tend to be external to the change, holding situations in states of dynamic equilibrium. His solution was to advocate that successful change rests in "unfreezing" an established equilibrium by enhancing the forces driving change, or by reducing or removing resisting forces, and then "refreezing" in a new equilibrium state.

According to Dent & Goldberg (1999), individuals aren't really resisting the change, but rather they may be resisting the loss of status, loss of pay, or loss of comfort. They claim that, "it is time that we dispense with the phrase resistance to change and find a more useful and appropriate models for describing what the phrase has come to mean - employees are not wholeheartedly embracing a change that management wants to implement". Piderit (2000) claims that: although these conceptualizations of overlap somewhat, they diverge in important ways. Finding a way to bring together these varying emphases should deepen our understanding of how employees respond to proposed organizational

changes. Each of these three conceptualizations of resistance - as a behavior, an emotion, or a belief - has merit and represents an important part of our experience of response to change. Thus, any definition focusing on one view at the expense of the others seems incomplete.

*According to Bolognese (2002)*, we must first define the meaning of resistance in order to understand it better. For the purposes of this article, resistance may be defined as a cognitive state, an emotional state and as a behavior. The cognitive state refers to the negative mind set toward the change. The emotional state addresses the emotional factors, such as frustration and aggression, which are caused by the change. As a behavior, resistance is defined as an action or inaction towards the change. Resistance in any form is intended to protect the employee from the perceived or real effects of change. Understanding the different types of resistance will help managers in preparing employees for change.

McConnell (2007) states that employees usually resist change not because they disagree with it but because there is a lack of knowledge about what will happen, or because of the manner in which the change was communicated to them. Either they have to learn something new and they fear their ability to adapt to it, or there is a lack of communication causing confusion or misunderstanding. Employees function best in situations when they are fully prepared and informed. The manager's role in preparing employees for change involves up-front communication. He or she must be prepared to answer questions about the nature and source of the proposed change.

Outram (2005) discusses some suggestions for managing change and working with resistance. He states that "to be effective, you need to be trustworthy." Managers must learn to build and enhance trust relations with employees. He suggests that managers should be influential. Having influence means having specific outcomes with clear anticipated results. Besides opening communication lines with employees, managers should be conscientious about the way they speak and even the way they look, because it will have an impact on persuading others.

Coombs (2007) notes that in her career as librarian she has often had to introduce her employees to new technology, and she has many opportunities to observe employee resistance. She outlines several lessons she has learned from this experience. For instance, Coombs recommends that all employees should be trained on the new technology, even if the technology is easy to use. She suggests providing handouts to enhance post-training results. She also suggests that managers organize a group of employees who support the new technology and can spread the word about the benefits of the new tool. Coombs mentions that administrators should also provide employee incentives. Incentives will help employees realize that the change is not just one person's idea and that administrators expect everyone to use the new technology.

Scott (2007) writes that implementing change in libraries is a difficult process. He argues that although change does happen, it will never occur fast enough or go far enough for those who are early adopters. He mentions that it is "tough enough to implement change from the top of an organization, and it is even tougher when you have less apparent authority." Managers need to make connections

between the implementation of a particular change and the solving of a corresponding problem in order for the change to appear relevant to employees.

### III. AREAS OF ORGANIZATIONAL CHANGE

Four major areas of organizational change: strategy, technology, structure, and people. All four areas are related, and companies often must institute changes in the other areas when they attempt to change one area. The first area, strategy changes, can take place on a large scale for example, when a company shifts its resources to enter a new line of business or on a small scale for example, when a company makes productivity improvements in order to reduce costs. There are three basic stages for a company making a strategic change: 1) realizing that the current strategy is no longer suitable for the company's situation; 2) establishing a vision for the company's future direction; and 3) implementing the change and setting up new systems to support it.

Technological changes are often introduced as components of larger strategic changes, although they sometimes take place on their own. An important aspect of changing technology is determining who in the organization will be threatened by the change. To be successful, a technology change must be incorporated into the company's overall systems, and a management structure must be created to support it. Structural changes can also occur due to strategic changes as in the case where a company decides to acquire another business and must integrate it as well as due to operational changes or changes in managerial style. For example, a company that wished to implement more participative decision making might need to change its hierarchical structure.

People changes can become necessary due to other changes, or sometimes companies simply seek to change workers' attitudes and behaviors in order to increase their effectiveness. Attempting a strategic change, introducing a new technology, and other changes in the work environment may affect people's attitudes. But management frequently initiates programs with a conscious goal of directly and positively changing the people themselves. In any case, people changes can be the most difficult and important part of the overall change process. The science of organization development was created to deal with changing people on the job through techniques such as education and training, team building, and career planning.

### IV. EMPLOYEE RESISTANCE TO ORGANIZATIONAL CHANGE

It is often assumed that everyone in an organization shares the same objective and homogeneous reality, but not all participants facing a change initiative encounter the same conditions. Differences in participant responses to change usually reflect either misunderstandings about the change or individual characteristics and attributes. Managers often perceive resistance negatively, since they see employees who resist as disobedient; even if they see employees who oppose change as short-term problems in processing the change, managers are tempted to treat their subordinates as obstacles.

Understanding the reasons for resistance to change can help managers prevent disaster and improve the change's chances for success. There are many reasons why employees may react negatively to change.

- **Personal loss:** Right or wrong, people are afraid they will lose something, particularly:
- **Security:** Concern about job loss through a reduction in force or automation. .

- **Money:** Concern about loss of money through a reduction in salary, pay, benefits, or overtime or through increased expenses because of a move to another location that is farther from their home.
- **Pride and satisfaction:** A concern about ending up with jobs that no longer require their abilities and skills, such as automation through computer-aided design in engineering departments (e.g., a "button pusher" instead of a "skilled craftsman").
- **Friends and important contacts:** Move to another location will no longer allow contact with friends and important people, resulting in loss of visibility and daily contacts.
- **Freedom:** New boss will replace confidence and personal freedom with closer supervision that provides less opportunity for decision-making.
- **Responsibility:** Concern that jobs will be reduced to menial tasks without responsibility.
- **Authority:** A concern about a loss of power and authority over other people because of reorganization takes place or a new boss who decides to withdraw authority.
- **Good working conditions:** A concern about being moved to a less desirable work location, e.g., from a large private office to a small one or from an office to a desk in a partitioned work area.
- **Status:** A concern about loss of job title, responsibility, or authority that will result in a loss of status and recognition from others, such as when another layer of management is inserted between a subordinate and his or her manager.
- **Lack of respect:** When people have a lack of respect and/or negative attitude toward the person or department responsible for making the change, there is a strong tendency to resent and resist the change because their feelings don't allow them to look at the change objectively.
- **Poor communication:** Sometimes change is ordered in such a way that the people resent and resist it, simply because they don't like being told what to do. The emphatic command "Do it!" and/or an authoritarian tone can create emotions that would not have occurred if the communication had been more positive. This feeling can also occur if people are told what to do but not told why.
- **Negative attitude:** People with a negative attitude toward the organization, the job, and/or the boss are very apt to resent or resist change, no matter what it is. This is one of the reasons why high morale is so important. No input. This kind of resistance occurs when people who feel they should have been asked were not asked for their ideas concerning the change.
- **Perception of criticism:** Whether or not the change is actually criticizing the things that were previously done or the way in which they were done, people may look upon the change as a personal criticism. For example, a person who has developed a certain system or procedure will very likely take it personally if someone wants to change it.
- **Creation of burden:** Some changes add more work and, with it, confusion, mistakes, and other negative results. The initial stages of automation and computerization for example, can result in additional problems at first. If the change will obviously require more effort with little accomplished as a result, people are apt to resent and even resist it, particularly if no rewards accompany the extra effort.
- **Bad timing:** The timing of a change is very important to its acceptance. If it comes at a time when people are already having problems, the change is usually resented and probably resisted

by those who are supposed to implement it. If, for example, a subordinate is in the process of making a schedule change that had been ordered by the boss, the subordinate would resent and probably resist another schedule change that the boss might request or order.

- Challenge to authority. Some people are testing their power and influence by simply refusing to implement a change.
- **Secondhand information:** Some people are very sensitive about the way they learn of the change. If they found out about it from a secondhand source, they might resist it until they hear it "from the horse's mouth."

#### V. TOP REASONS FIVE REASONS OF RESISTANCE TOWARDS ORGANIZATIONAL CHANGE

**Organizational change** is never easy, even when it has the full support of staff. Most businesses that engage in organizational change have to deal with staff resistance to the changes. Some leaders react to that change with shrugged shoulders. They say, 'people don't like change' and continue to push the changes anyway. But there is more to it than that. People resist change for clear, direct reasons. Here are five of the top reasons people will try to avoid, resist, or even sabotage organizational change.

1. **Job Security or Loss of Status:** Concerns about job security are the primary cause for resistance to organizational change. People will not change easily if they believe that change might harm their current situation. Even if the change is purely administrative or involves changes to technology, people will worry that it may reduce or eliminate their position. It's important to implement an open change strategy that demonstrates how each employee's role will increase or be augmented by the change.
2. **Fear of Failure:** If employees don't believe that organization will succeed in implementing the change, they will not want to be involved. Employees must be assured that a clear plan for change is in place, and the company is taking every step necessary to ensure that change is a success.
3. **Surprise and Fear of the Unknown:** Change communication is critical to eliminating this fear. Two-way communication, including employee feedback will reduce the chance of surprise or negative reaction. People tend to focus more on the potential negative outcomes rather than the positive ones. You should make every effort to eliminate or reduce the unknown quantities.
4. **An Environment that Lacks Trust:** Employees must have faith in the organization and believe that the company has their best interests in mind. If management has done something in the past to lose or diminish employee trust, it will be difficult to get employees on-board with organizational change. Open, honest communication can help to rebuild trust and decrease this risk.
5. **Organizational Politics:** In some cases, employees will resist change just to prove a point. If an employee has some underlying issue with the person or group driving the change, that employee will want to see it fail. Personal issues and organizational politics can trigger a desire to undermine the process and put change leaders in a bad light.

## VI. METHODS TO OVERCOME RESISTANCE TO CHANGE

Bateman and Zeithaml explained, a manager trying to implement a change, no matter how small, should expect to encounter some resistance from within the organization. Resistance to change is a normal reaction from people who have become accustomed to a certain way of doing things. Of course, certain situations or tactics can increase resistance. "Individuals, groups, and organizations must be motivated to change. But if people perceive no performance gap or if they consider the gap unimportant, they will not have this motivation. Moreover, they will resist changes that others try to introduce. The authors outlined a number of common reasons that people tend to resist change. These include: inertia, or the tendency of people to become comfortable with the status quo; timing, as when change efforts are introduced at a time when workers are busy or have a bad relationship with management; surprise, because people's reflex is to resist when they must deal with a sudden, radical change; or peer pressure, which may cause a group to resist due to anti-management feelings even if individual members do not oppose the change. Resistance can also grow out of people's perceptions of how the change will affect them personally. They may resist because they fear that they will lose their jobs or their status, because they do not understand the purpose of the change, or simply because they have a different perspective on the change than management.

Fortunately, Bateman and Zeithaml noted, there are a number of steps managers can take to help overcome resistance to change.

- One proven method is education and communication. Employees can be informed about both the nature of the change and the logic behind it before it takes place through reports, memos, group presentations, or individual discussions.
- Another important component of overcoming resistance is inviting employee participation and involvement in both the design and implementation phases of the change effort. People who are involved in decisions understand them better and are more committed to them.
- Another possible approach to managing resistance to change is through facilitation and support. Managers should be sure to provide employees with the resources they need to make the change, be supportive of their efforts, listen to their problems with empathy, and accept that their performance level may drop initially.
- Some companies manage to overcome resistance to change through negotiation and rewards. They offer employees concrete incentives to ensure their cooperation. Other companies resort to manipulation, or using subtle tactics such as giving a resistance leader a prominent position in the change effort. A final option is coercion, which involves punishing people who resist or using force to ensure their cooperation. Although this method can be useful when speed is of the essence, it can have lingering negative effects on the company. Of course, no method is appropriate to every situation, and a number of different methods may be combined as needed.



- As Bateman and Zeithaml stated, "Effective change managers are familiar with the various approaches and capable of flexibly applying them according to the situation."

## **VII. TECHNIQUES FOR MANAGING CHANGE EFFECTIVELY**

Managing change effectively requires moving the organization from its current state to a future desired state at minimal cost to the organization. Bateman and Zeithaml identified three steps for managers to follow in implementing organizational change:

1. Diagnose the current state of the organization. This involves identifying problems the company faces, assigning a level of importance to each one, and assessing the kinds of changes needed to solve the problems.
2. Design the desired future state of the organization. This involves picturing the ideal situation for the company after the change is implemented, conveying this vision clearly to everyone involved in the change effort, and designing a means of transition to the new state. An important part of the transition should be maintaining some sort of stability; some things such as the company's over-all mission or key personnel should re-main constant in the midst of turmoil to help reduce people's anxiety.
3. Implement the change. This involves managing the transition effectively. It might be helpful to draw up a plan, allocate resources, and appoint a key person to take charge of the change process. The company's leaders should try to generate enthusiasm for the change by sharing their goals and vision and acting as role models. In some cases, it may be useful to try for small victories first in order to pave the way for later successes.

"Successfully changing an enterprise requires wisdom, prescience, energy, persistence, communication, education, training, resources, patience, timing, and the right incentives," John S. McCallum wrote in the Ivey Business Journal. "Successfully leading and managing change is and will continue to be a front-burner responsibility for executives. Prospects are grim for enterprises that either cannot or will not change. Indeed, no industry member is quite, so welcome as the one that steadfastly refuses to keep up."

## CONCLUSION

The attitude of employees during change process in organization plays a vital role in the implementation of new ideas in the organizations. Change plays a major drawback which creates problems in all organizations. It is not a surprise that resistance to change occurs and it is the foremost reason for failure to change. 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 the change.

Employees should be prepared to deal with the change, which involves an analysis of the tools and training required to help them learn new skills. Change is important in organizations to allow employees to learn new skills, explore new opportunities and exercise their creativity in ways that ultimately benefit the organization and employees through new ideas and increased commitment. Importantly, organizations need to do a good job of evaluating employees' capabilities and then taking steps to fill the gaps between current skills and the skills required to respond to change. Employees accept change in order to get top management to pay attention to issues that employees believe must be addressed in order for the organization to maintain high performance.

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