

Implication of Change Management on Organizational Effectiveness

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ABSTRACT

In every organization change occurred to be a phenomenon, a process and procedure of doing things that is influenced by the dynamic of the environment. The ability of the organization to manage these change indicate its agility, persistence to survival and in other words enable them to attain their objectives. Thus this study major thrust objectives includes: to ascertain the impact of change management on organizational effectiveness, to identify the challenges facing change management in organization and to determine extent the role of the actors in change management implementation promotes organizational effectiveness. Survey research design was adopted whereby questionnaire was administered to the respondents that enable the researcher to collect data to validate the assertion. A selected sample of 212 formed the population representative of the three studied organization. Then percentage table and Z-test statistical tool were used in presentation and test of hypotheses with the aid of SPSS. However, the study found that there is significance impact of change management on organizational effectiveness and that cultural and perceptual barriers are challenges facing change management in organization. Finally, that the role of the actors in change management implementation to a large extent promotes organizational effectiveness. The study recommends that the organization in order to embrace appropriate management of change should build-up potential change agents who can effortlessly exercise their capability, agility and resilience to adapt to change with less resistance etc.

INTRODUCTION

As change, is an exertion that consists of actual physical changes to operations and different emotional stimulation, which is painful in the workplace, going from what is certain and known to the otherwise or unknown. Organizational change occurs often, due to the dynamic nature of the environment which poses several challenges to its effectiveness and performance. This change may take place in order to respond to a new

opportunity or to avoid a threat to the organization. The idea of change management anchored as a corporate governance tool prepares the enterprise for their future. It has become very imperative after most of the economies have turned to open market as an impact of globalization.

Warrilow (2010) anticipating the uncertainty situation states that in the current economic climate, all organizations are experiencing the

impacts of change and many could now benefit from the practical knowledge of how to manage change. He eulogized that at root, change management is about process and people. But even process is just about people doing stuff (things). Ultimately it is all about people and processes that work for people.

McCann (2004) in a collaborative attempt states that the study of organizational effectiveness has dramatically evolved with the adoption of general systems theory concepts and changes in the complexity and pace of change of organizational environments. He reiterates that there are two critically important emerging qualities or dimensions, effectiveness, organizational agility and organizational residency". Organizational effectiveness has always measured how successfully organizations achieve their missions through their core strategies.

Basically, this study intends to investigate the implication of change management on organizational effectiveness. Also the specific objectives were to ascertain the impact of change management on organizational effectiveness, to identify the challenges facing change management in organization and to determine extent the role of the actors in change management implementation promotes organizational effectiveness.

LITERATURE REVIEW

The Changing Nature of Change and Resistance

Effective change management that makes all employees participate is essential in our world of turbulence and of shorter cycles of innovation. Changes may affect every industry and every

organizational function. In every organization, management knows about the external environment and the vision of the organization. This knowledge is the basis for developing appropriate strategies. Change management means to make change happen, to flexibly adapt the organization to ongoing external changes.

The quest for organizational effectiveness has escalated to a higher level of analysis where the challenges has become one of optimizing the effectiveness of an entire set of interdependent organizations such as that in a global supply chain. Resistance to change may be categorized into three groups of factors (Mabin, et al, 2001): organizational, group and individual. Organizational factors are caused by threats presented by unknown or unwelcome organizational structure and process change and threats induced by the environment inside or outside of the organization. Group cohesiveness and social norms under threat and participation in decision-making not properly attended would trigger resistance to change. Individual factors related to the personality impose different emotional reactions to change (Bernerth, 2004).

Organizational effectiveness research has focused intensely on the capacities of individuals, groups, and the entire organization to align quickly, and then realign repeatedly, with changes in strategies required by turbulent environments. Universally, the principles of how to manage change and the approach any business could initiative or any activities that may require or instigate change includes clarity in all areas, constant communication, consistency, and capability.

Proactive and Reactive Responses to Change Management and their Implication

Proactive change involves actively attempting to make alterations in the work place and its practices. Organizations that take a proactive approach to change are often trying to avoid a potential future threat or to capitalize on a potential future opportunity. Reactive change occurs when an organization makes changes in its practices after some threat or opportunity has already occurred. The greatest implication of change management is that it provides conceptual scaffolding or ladder for the people, the process, and the organization in implementation of change. It is a framework used to support and understand the change and its effect on the organization and its people. Recklies (2001) states that there are some more barriers that could hinder successful change implementation and management includes barriers of perception, emotional barriers, cultural barriers, cognitive barriers, and environmental barriers.

Change Management Implementation and Role of Actors

Change Managers:

In both proactive and reactive responses to change and in every model of change, one element remains the same: the need for change managers. Managers may have responsibility for change that is not ever formally dictate or a person or group may be specifically chosen to enact or facilitate change.

Levasseur (2001) retraces Lewin's three steps to change to include: unfreezing, moving and refreezing. Accordingly, managers as change

agents are expected to reinforce the new system actively with all employees in the refreezing step. Managers being stimulated to increase organizational effectiveness are initiating change with the expectation to motivate others to do more than they originally intended, and often even more than they thought possible (Cheng, Petrovic-Lazarevic, 2005c; Yukl, 1998). Manager's pivotal role in initiating change in an organization is to succeed in improving organizational performance.

Transition Management Teams:

In some organizations that are experiencing change, a specific group of managers is chosen to coordinate change through-out an organization. Transition management teams are responsible not only for the structural and procedural changes that occur, but also for managing emotions and resistance to change. They exist only while the organization is in flux, and they are dissolved once the company has successfully changed (Sums, 2002 and Luecke, 2003).

Change Agents

A change agent is one person who is formally in charge of guiding a change effort. They may be appointed from within the ranks of current company managers, or the agent may be an outside consultant who is brought in during the period of change. The agent helps to clarify problems, gather relevant information, assist managers in creating a plan, evaluate the plan's effectiveness, and implement the plan (Cameron and Mike, 2004).

METHODOLOGY

The research method used in this study is survey design that utilizes questionnaire as the research instrument and interview to gather data from

respondents. Also the researcher adopted random sampling method. The population of the study concentrates within public sectors especially. The sample population of the study comprise of 450 workforces respectively. The sample size using Yamane's formula was determined as below to get the representation of the population:

$$N = \frac{N}{1 + N(e)^2}$$

Where: n = sample size
 N = Total number of the population
 e = standard or tolerable error margin of 5% or 0.05.

Substituting therefore:

$$N = 450$$

$$e = 0.05$$

$$: n = 450$$

$$= \frac{450}{1 + 450(0.05)^2}$$

$$= \frac{450}{1 + 450(0.0025)}$$

$$= \frac{450}{2.13} = 211.27$$

The approximation to the nearest whole number equal to 212, it will help for easy questionnaire administration. The data collected were analyzed using SPSS statistical tool and Z-test for the test of hypotheses based on its scientific nature and widely used by social scientists.

DATA PRESENTATION AND DISCUSSION

Table1: To ascertain the impact of change management on organizational effectiveness

	Frequency	Valid Percent	Cumulative Percent
Valid STRONGLY DISAGREE	15	7.1	7.1
DISAGREE	25	11.8	18.9
UNDECIDED	4	1.9	20.8
AGREE	115	54.2	75.0

STRONGLY AGREE	53	25.0	100.0
Total	212	100.0	
Mean			3.7830
Std Deviation			1.15611

Source: Field Survey 2015

In this descriptive shows that 15(7.1%) of the respondents strongly disagreed that there is impact of change management on organizational effectiveness. Also 25(11.8%) disagreed, 4(1.9%) of the respondents were undecided. While 115(54.2%) and 53 (25.0%) strongly agreed and agreed respectively that there is impact of change management on organizational effectiveness. The result is significant given the mean of 3.7830 and a standard deviation of 1.15611. The null hypothesis reflects that:

Ho: There is no significance impact of change management on organizational effectiveness.

Then using Z-test non-parametric statistic tool to revalidate the first analysis we have the following;

NPar Tests

One-Sample Kolmogorov-Smirnov Test

		There is no significance impact of change management on organizational effectiveness
N		212
Normal Parameters ^{a,b}	Mean	3.7830
	Std. Deviation	1.15611
	Most Extreme Differences	
	Absolute	.367
	Positive	.176
	Negative	-.367
Kolmogorov-Smirnov Z		5.342
Asymp. Sig. (2-tailed)		.000

Decision Rule

If $Z_{cal} > Z_{critical}$, reject the null and accept the alternative hypothesis, otherwise vice-versa.

Result

The calculated Z-value is 5.342. This value is greater than the critical Z-value of 1.96 (2-tailed test at 95% level of significance). Therefore, the null hypothesis is rejected and the alternative hypothesis accepted. The result is significant as the Z-value = 5.342 and the p-value ($0.000 < 0.05$). Hence, there is significance impact of change management on organizational effectiveness.

Table 2: To identify whether cultural and perceptual barriers are challenges facing change management in organization

	Frequency	Valid Percent	Cumulative Percent
Valid STRONGLY DISAGREE	10	4.7	4.7
DISAGREE	15	7.1	11.8
UNDECIDED	9	4.2	16.0
AGREE	135	63.7	79.7
STRONGLY AGREE	43	20.3	100.0
Total	212	100.0	
Mean			3.8774
Std Deviation			.97069

Source: Field Survey 2015

The table 2 shows that 10(4.7%) of the respondents strongly disagreed that cultural and perceptual barriers as challenges facing change management in organization. Also 15(7.1%) disagreed, 9(4.2%) of the respondents were undecided. While 135(63.7%) and 43 (20.3%) strongly agreed and agreed respectively that cultural and perceptual barriers are challenges facing change management in organization. The result is significant given the mean of 3.8774 and a standard deviation of 0.97069. The null hypothesis reflects that:

Ho: Cultural and perceptual barriers are not challenges facing change management in organization.

Then using Z-test non-parametric statistic tool to revalidate the first analysis we have the following;

NPar Tests

One-Sample Kolmogorov-Smirnov Test

	Cultural and perceptual barriers are not challenges facing change management in organization.	
N	212	
Normal Parameters ^{a,b}	Mean	3.8774
	Std. Deviation	.97069
Most Extreme Differences	Absolute	.390
	Positive	.247
	Negative	-.390
Kolmogorov-Smirnov Z	5.677	
Asymp. Sig. (2-tailed)	.000	

Decision Rule

If $Z_{cal} > Z_{critical}$, reject the null and accept the alternative hypothesis, otherwise vice-versa.

Result

The calculated Z-value is 5.677. This value is greater than the critical Z-value of 1.96 (2-tailed test at 95% level of significance). Therefore, the null hypothesis is rejected and the alternative hypothesis accepted. The result is significant as the Z-value = 5.677 and the p-value ($0.000 < 0.05$). Therefore, cultural and perceptual barriers are challenges facing change management in organization.

Table 3: To determine extent the role of the actors in change management implementation promotes organizational effectiveness

	Frequency	Valid Percent	Cumulative Percent
Valid VERY SMALL EXTENT	3	1.4	1.4
SMALL EXTENT	4	1.9	3.3
UNDECIDED	6	2.8	6.1
LARGE EXTENT	161	75.9	82.1
VERY LARGE EXTENT	38	17.9	100.0
Total	212	100.0	
Mean			4.0708
Std Deviation			.63819

Source: Field Survey 2015

In table 3 above indicates that 3(1.4%) of the respondents said at very small extent that the role of the actors in change management implementation promotes organizational effectiveness. Also 4(1.9%) said at small extent, 6(2.8%) of the respondents were undecided. While 161(75.9%) and 38 (17.9%) said at large extent and very large extent respectively that the role of the actors in change management implementation promotes organizational effectiveness. The result is significant given the mean of 4.0708 and a standard deviation of 0.63819. The hypothesis reflects that:

Ho: The role of the actors in change management implementation to a small extent promotes organizational effectiveness.

Then using Z-test non-parametric statistic tool to revalidate the first analysis we have the following;

NPar Tests

One-Sample Kolmogorov-Smirnov Test

	The role of the actors in change management implementation to a small extent promotes organizational effectiveness.
N	212
Normal Parameters ^{a,b}	Mean 4.0708 Std. Deviation .63819
Most Extreme Differences	Absolute .395 Positive .365 Negative -.395
Kolmogorov-Smirnov Z	5.745
Asymp. Sig. (2-tailed)	.000

Decision Rule

If $Z_{cal} > Z_{critical}$, reject the null and accept the alternative hypothesis, otherwise vice-versa.

Result

The calculated Z-value is 5.745. This value is greater than the critical Z-value of 1.96 (2-tailed test at 95% level of significance). Thus, the null hypothesis is rejected and the alternative hypothesis accepted. The result is significant as the Z-value = 5.745 and the p-value ($0.000 < 0.05$). However, the role of the actors in change management implementation to a large extent promotes organizational effectiveness.

CONCLUSION

In real world situation, change occurred in organization that can respond to external circumstances (reactive change) while others form of change principally decided to change (proactive change). The three selected organization studied are seen to experience proactive change. Also some organizations work to identify a common

approach to change and then ensure this is diffused throughout their activities. It is also a routine for organizations to adopt common tools across functions in change management.

Hence, the study found that there is significance impact of change management on organizational effectiveness and that cultural and perceptual barriers are challenges facing change management in organization. Finally, that the role of the actors in change management implementation to a large extent promotes organizational effectiveness. However, the idea towards an organization success to change management is paramount and change has to be embraced, nurtured in order to align the structure and process of change to achieve increase organizational effectiveness.

RECOMMENDATIONS

The study recommends that the organization should abide on the following for continuous improvement;

1. The organization in order to embrace appropriate management of change should build-up potential change agents who can effortlessly exercise their capability, agility and resilience to adapt to change with less resistance.
2. There should be need to develop employees talent development pool, competencies and skills awareness in consonance to the trend

of dynamic nature of the organization (environment) in order to survive.

3. There organizations embark on effective communication strategy to strengthen their awareness, understanding, conviction and internalizing process to avoid resentment from the employee.
4. There should be need to encourage open-mindedness for new ideas, transformatory leadership and total reward system in order to gear commitment and hard work.

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