

ATTITUDES TOWARDS CHANGE AND ORGANIZATIONAL PERFORMANCE: A CONCEPTUAL DISCUSSION

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ABSTRACT

Employees' attitudes towards change and organizational performance are extremely interrelated each other hence approving that the performance of organization is exaggerated through the attitudes of employees towards change. The literature shows that successful organizational change and performance are determined by the willingness to embrace change. Thus, the purpose of this paper is to discuss the conceptualization of change attitudes including readiness and openness towards change, and cynicism about organizational change in responding to change initiative which therefore impacts the outcomes and performance of organization.

Key words: *Organizational Change, Attitudes towards Change, Organizational Performance*

INTRODUCTION

In management studies, a lot of research emphasize on organizational performance. In strategic management literatures, Combs, Crook, and Shook (2005) stated that organizational performance is known as one of the most significant factors in determining the organization's future direction. Thus, both practitioners and scholars carried out many studies on organizational performance to clarify the constructs, processes, precursors, and other related points that boost the organizational outcomes (De Waal, 2010; Jing & Avery, 2008).

In today's rapidly changing, uncertain, and complex environment, many organizations face intense competitive pressure to do things better and effectively. Consequently, adopting change is one of the approaches for gaining competitive advantage and it affects the performance of employees, technology, structure and other elements of the organization (Judge & Douglas, 2009; Khatoon & Farooq, 2015).

Basically, the phrase change management is defined as managing change. Sharma (2012) defined change management as a set of structured and systematic processes employed in any organization ensuring that significant changes are implemented successfully. One of the objectives of change management is to improve the alignment of planned strategic shifts with employees and culture of an organization (Sharma, 2012).

The arguments on which factors best suit organizations to initiate change are still going on. Some previous studies examine environmental factors that motivate organizations and many of them focuses more on external environment that are threats and opportunities (Hilman & Mohamed, 2011; Kotter,

1996; Sharma 2012) approving that there are lot of factors that initiate the need to implement change. Generally, the most common reasons arise from macro environmental aspects including fluctuations in economic activity, unpredictability of politics behavior, technological innovation, global expansion in marketplace, and alteration of demographic and social trends (Hilman & Mohamed, 2011; Sharma, 2012).

In relation to organizational performance, change has significant influence on how employees functioning in organization where change may offer the organization to grow and develop, and on the other hand, by initiating change there will be opportunities to encourage the development of new skills, behaviors, activities and actions (Holt, Armenakis, Field & Harris, 2007).

LITERATURE REVIEW

Attitudes towards change

Employee is believed to have a very important role in determining organizational change performance (Choi, 2011). Referring to some scholars, the process of transformation in organizations only occur when subordinates change their working behaviors in proper ways, thus the outcome of change will remain successful (Choi and Ruona, 2010). They also argued that lot of transformation initiatives fail as leaders misjudge the important role of members in organization during a period of change (Choi, 2011).

In supporting this idea, scholars have empirically proven that when individuals confronted change they concern about the future change outcome and demonstrated a high level of involvement which therefore responds accordingly to the situation (Choi, 2011). Moreover, some researchers discovered that the attitudes of an individual towards change implementation affect their day-to-day job performance (Meyer *et al.*, 2012).

Jones, Jimmieson & Griffiths (2005) discovered that in the initial phase of the implementation of change, individuals who had established sufficient willingness were probably demonstrate high level of supportive behavior towards change in the subsequent implementation stage. Likewise, individual level of commitment to change was significantly important in explaining the job-related behavior within organization (Nafei, 2014; Meyer, Srinivas, Lal & Topolnytsky, 2007). Thus, it is proven that employee's attitudes toward organizational change influence how successful and effective the implementation of change. As a role of individual in organization is critically important, the question of how they manage organization's resources is closely related.

Choi (2011) confirmed the importance of engagement among organization's members and determined some attitudinal factors which therefore represent the attitudes of employees toward change in organization. The term employees' attitudes are commonly referred as a tendency to view, think, feel, and behave either positively or negatively. Ideally, as the role of employees is important, organizations are increasingly required to develop employees' acceptance and beliefs towards change. In most studies, scholars have emphasized on several attitudinal factors that represent employees' attitudes in which they support organizational change.

As past study has extensively recognized, many organizational change efforts will affect either their outcomes or the needs for change. Even though there is no empirical evidence, scholars such as Beer and Nohria (2000) and Burke and Biggart (1997) predicted that about two- thirds of organizational change efforts fail, and Burnes (2004) recommended that the failure rate may be increase.

The implementation failure is often considered as a result of inability of organizations to achieve the planned change rather than overlooked the mistakes in the change process (Kotter, 1995, 1996). Specifically, many researchers have argued that leaders often misjudge the role of employees in the process of change which therefore contributing to change implementation failure (Choi & Ruona, 2011; Greenhalgh et al., 2004; Vakola, 2014). As to substitute the broad, systems-oriented method (Quinn, Kahn, & Mandl, 1994), some researchers have implemented a more micro-level perception of change and emphasis on the individual level (Choi, 2011; Judge, Thoresen, Pucik, & Welbourne, 1999).

These researchers stated that when employees transform their behavior properly and accordingly then only change can be implemented successfully over for a long term period (Meyer, Srinivas, Lal, & Topolnysky, 2007; Weeks, Roberts, Chonko, & Jones, 2004). Accordingly, employees are claimed as the core source of organizational change.

Readiness for change

In organizational change, the conception of readiness is interesting as employees' response to change play a significant role. Rafferty *et al.* (2012) referred the term 'readiness for change' as an individual's action to receive, adopt, and adapt a specific idea according to current existing situation. In addition, readiness is assumed as cognitive antecedent, influencing employees' actions of either resistance to, or encourage for a change initiative.

Meanwhile, as stated by Armenakis and Fredenberger (1997) readiness is referred as employees' beliefs, attitudes and targets in implementing organizational change. Essentially, readiness for change leads a change of individual's perceptions in organization's setting (Armenakis & Fredenberger, 1997; Vakola, 2014). As employees are the ones who will either accept or oppose the change efforts, they are likely to show their commitment and drive for change. Therefore, it is important to evaluate individual's awareness about organizational change (Abdel-Ghany, 2014; Susanto, 2008).

Moreover, readiness is believed to be vital antecedent to effective organizational change as members of organization work toward sustaining a situation that gives them a belief of 'psychological safety', control, and personality. Previous studies approved that when organization has a high degree of readiness employees are more likely to participate in the change process, giving full effort to achieve successful change implementation (Weiner *et al.*, 2008; Abdel-Ghany, 2014).

Openness to change

Choi (2011) referred the term 'Openness to change' as willingness of people in organization to accept change initiative to be happened in order to be high competitive organization. In conditions of change, some scholars have addressed the importance of employees' openness to change. Miller, Johnson, and Grau (1994) defined openness to change as an employees' willingness and preparedness to involve in change process, which therefore instill the positive beliefs about the change outcome. In relation to readiness for change, some scholars have recommended that to initiate readiness of employees for organizational change, a prior condition to that is openness to change (Axtell *et al.*, 2002; Choi, 2011; Devos, Buelens, & Bouckenoghe, 2007; Wanberg & Banas, 2000).

Concerning openness to change, some scholars proved the significant correlation between the dissemination of information and how employees' acts toward change. Members of organization are likely to embrace change when they are well informed about their active role in the early phase of change and when people realize their presence during change implementation (Miller *et al.*, 1994; Choi, 2011; Erturk, 2008; Wanberg & Banas, 2000).

Miller *et al.* (1994) also revealed that instead of communicating the information, another factor contributed to employees' openness to change is, how employees viewed the quality of information is also important. Besides, other indicators, such as employees' involvement in the decision making process (Erturk, 2008; Wanberg & Banas, 2000) and accepting change (Axtell *et al.*, 2002) are believed to have a positive relationship with openness to change (Choi, 2011). As compared to commitment to change, elements such as ethical leaders (Devos *et al.*, 2007; Erturk, 2008) and a positive experience of previous change implementation (Devos *et al.*, 2007) are said to have positive connection with high degrees of openness to change.

Previous researches have also revealed that employees that are highly motivated about change, believe that they can influence a positive change outcome (Wanberg & Banas, 2000), also desire for betterment (Miller *et al.*, 1994) and optimistic to embrace change (Choi, 2011). Nevertheless, not all employees are positive about organizational change. Thus, the following subsection discusses the cynicism about organizational change which is another element of change attitudes.

Cynicism about organizational change

Cynicism about organizational change has been extensively discussed by previous scholars. Previous findings approved that in the workplace, cynicism was often occurred (Chiaburu *et al.*, 2013). In short, cynicism can be defined from various perspectives ranges from common cynicism to the cynicism related to employee, workplace, and then cynicism about change efforts. In more general view, the term cynicism refers to individual attributes, describing it as a 'basic distrust' of someone as their intentions are self-serving and exposed to distrust (Wanous, Reichers & Austin, 2015).

Meanwhile, employees' cynical attitude has been conceptualized to have negative outcome, such as decrease in performance, job satisfaction, and organizational commitment, and the possibility for employees to quit is high (Chiaburu *et al.*, 2013). Specifically, organizational cynicism is described as an evaluative judgment that caused by employees' working experiences (Cole, Bruch, & Vogel, 2006, Choi, 2011). Cynicism consist of three aspects which are; anxiety about organization negative consequences; a confidence that the organization practices low integrity behavior; and tendencies to have negative behaviors toward the organization according to these beliefs (Choi, 2011) which consequently affects the beliefs of bias, increased of distrust, and any behaviors about and against organizations (Bommer, Rich, & Rubin, 2005; Choi, 2011).

To address this issue in the context of change, cynicism about organizational change has been studied a combination of two components; (a) a doubt whether upcoming change outcome being successful, and (b) accusing those in charge, usually management of organization for one's doubt (Wanous *et al.*, 2015). Besides, Stanley *et al.* (2005) proved that cynicism about organizational change is basically different from common cynicism types, from skeptical view about implementing change (anxieties on the possibility for to occur), and from feeling doubtful about the ability of management. Likewise, cynicism about organizational change is very relevant with desire to refuse to accept change compared to another forms of cynicism that accepted globally (Stanley *et al.*, 2005; Choi, 2011).

Furthermore, Cynicism about organizational change is important issue since it stimulates employees' self-fulfilling prophecy and can cause a dilemma. When employees are cynical about organizational change, the possibility of change initiative to be success is smaller as this attitude increases the cynical beliefs among employees (Bommer *et al.*, 2005; Choi, 2011). Therefore, employees who become cynical about change initiatives are about to decrease their commitment or motivation to perform.

CONCLUSION

From the above discussion, it can be concluded that attitudes towards change has a strong relationship with organizational performance. Past researches are mostly emphasized on how individual understand the reaction towards change and organizational performance. Supportive attitudes and behaviors towards change would benefits organization by enhancing work competency and effectiveness. Therefore, the employees' positive attitudes towards change and performance will facilitate the organizations in achieving their objectives and goals. Besides, even though some past researches have revealed a positive relationship between attitudinal variables such as readiness for change, openness and commitment to change which affect organizational change initiatives, further empirical research should be done to ensure the consistency of the findings. Research on these variables will finally assist researchers discover better approaches in developing organizations' capability to avoid employees' resistance or to reject for change initiatives.

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