A STUDY ON EMPLOYEE ATTITUDE TOWARDS ORGANIZATIONAL CHANGE - WITH SPECIAL REFERENCE TO SIEMENS LTD, CHENNAI

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ABSTRACT

Concept of organizational change could be better understood on several grounds. Firstly, organizational change includes variety of change which may not always be planned and whose objectives may not be very much clear. Secondly, organizational change also includes those changes which may occur with the passage of time. Besides being gradual and steady, these changes are necessary for the survival of organization. Thirdly and finally, organization change may not be measurable. Organization results in organizational development. This study helps to identify the various positive or negative outcome of change, preparedness of employees to accept change, various ways of communicating the changes to the employees; various support factors to employees during organizational change. Data’s were collected from 122 employees. Analysis used was Percent Analysis, Chi-Square and ANOVA. The employees are reluctant towards the adaptability of change and they are more resistance to change. So the management should be more intentional about the change and they should encourage feedback from the employees and opportunity to ask questions or provide suggestions as your organization moves toward change.

Key words: Employee Attitude, Resistance to change, Communicating the change, Change Management.

http://www.iaeme.com/IJM/index.asp

1. INTRODUCTION

Change is a fact of life. The only constant thing in life is change. It is an event or variation from the normal. Life is continuously changing. People move, children grow up, careers change, the climate changes, and life cycles begin and end. Whether a person can adapt to these changes and become a proactive participant in a constantly changing world is a key component in “full development” or maturity, “Change is not only something we must accept, but it is actually something to celebrate”. So, change is permanent in life.

Change is one reality with individuals, groups and organizations must constantly cope in order to survive. It is one of the most critical aspects of effective management. It is the coping process of moving from present state to a desired state that individuals, groups and organizations undertake in response to dynamic internal and external factors that alter current realities. 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.

Many organizations found change to be a real challenge. The change process in each organization is unique in each situation, due to the differences in the nature of the organization, the nature of the business, the work culture and values, management and leadership style, and also the behaviour and attitude of the employees. Further, the risk of failure is greater as people are generally resistant to changes. For some, change may bring satisfaction, joy and advantages, while for others the same change may bring pain, stress and disadvantages. Increased competition has forced companies to revise their management of resources for purposes of revitalizing competitive advantage. Organizations are now being forced to merge, downsize, restructure, as well as expand operations and acquire new technologies in order to stay competitive.

2. EMPLOYEE ATTITUDE TOWARDS CHANGE

Attitude is a word related to psychology, and attitude differs from person to person perception. The main focus of research on attitude concerns the nature, function of attitude and how employees mould themselves towards change. The employee attitudes can influence character to formulate the response to change. Employee attitude focused on individual attitude towards change in the organization. The attitude brings positive or negative type of activities of employees during the change process. 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.

3. ORGANIZATIONAL CHANGE INVOLVES

- Moving from the known to the unknown
- From relative certainty to relative uncertainty
- From the familiar to unfamiliar

A common theme found in these statements is that change represents movement from the present state of the organisation to a desired future state.

Organizational change is about reviewing and modifying management structures and business processes. It occurs when business strategies or major sections of an organization are altered. It is defined as a change that has significant effects on the way work is performed in an organization. Organizational change may be apparent when there is a gap between how the work area is operating and how it should be operating to ensure successful future growth. Organizational change may be a result of the work area identifying goals that they want to achieve.

4. IMPORTANCE OF THE STUDY

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 through new ideas and increased commitment.

1. To stay competitive, change process are mandatory for an organization. This study explores the importance of employee attitude towards organizational change.
2. It aims in bringing out the various positive and negative outcomes of change in the organization among the employees. It also helps the management to identify whether the employees are satisfied with the changes made.
3. This research can analyze the readiness of employees to accept the change in the organization. It is useful to understand the ways of communicating changes in the organization and to identify whether the communication has been made effective among the employees.
4. This study will serve as a good relationship between the managers and the executives in the change process.
5. Importantly, training needs of the employees can be identified after the commencement of the change process. Supporting factors is one of the unique factor which is been covered under this study.

5. REVIEW OF LITERATURE

Bharjoo (2005) mentioned that some of the reasons for the need for change may be as a result of environmental changes such as economic and market changes, technological changes, legal or political changes and the availability of recourses. Some other reasons are deficiencies in the present organisation as a result of poor organisational structure, duplication of work, poor procedures, weak management and a lack of cooperation. Change managers may therefore identify the need for change and may implement changes to solve these problems.

Dunham (1984) Attitudes, for instance, are difficult to change as people are generally more comfortable with what they have learned or knew due to stereotyping, fear of taking risks, intolerance to ambiguity, and possibly the need to maintain tradition.

Jick (1993) has defined organisational change as a planned or unplanned response to pressures and forces both from within an organisation and the external environment. Employees’ attitudes are considered to be indicative of the future success of an organisation. Attitudes have been postulated to motivate behaviour and to exert selective effects at various stages of information processing. In the context of organisational change, attitudes towards change – the benefits of the change and the competence of managers implementing these changes – become overwhelmingly important. At the same time, when seeking information they need for decision-making, employees focus on information that is consistent with their attitudes. As change requires learning new skills, be behaviours and attitudes, it means that employees must take some extra efforts.

Quirke (1995) stresses that an added complexity when considering internal communication is that those responsible for the change process within the organisation will probably have differing concepts about what organisational communication actually means. This may result in confusion about who is responsible for communication; it can also result in tensions and may set up communications to fail.

6. RESEARCH OBJECTIVE

1. To study about the various outcomes of change in the organization among the employees
2. To analyze the preparedness of employees to accept change in the organization
3. To identify the various ways of communicating changes in the organization
4. To understand the various support factors to employees during organizational change.

7. SCOPE OF THE STUDY

It is necessary for any management to ensure that employees are satisfied with their job, for the benefits of the organization. A study on organizational change helps the management to understand the attitude of the employee towards their job. It tells how the people feel about their relationship with the industry they work and their welfare of the job. Scientifically contributes towards employee’s productivity and morale. The present study has made an attempt to measure the organizational change in Siemens ltd. This study has been conducted with 122 employees in the industry. This research mainly concentrates on studying the employee towards organizational change and further concentrates on employee job satisfaction, and labour turnover of the company, for the development and better satisfaction of the employees. From this research the company has to concentrate on the displeased area of the employees.

1. To measure the level of resistance among employees during change
2. This study will render a mechanism for the organization to go about future changes
3. This research will be helpful for the managers of different level to develop a individual career plan to his subordinates after the change effect
   It is helpful to the organization for conducting further research
8. LIMITATION OF THE STUDY
All research study will have its limitation, mainly due to time constraint and paucity of resources. In this study major limitations are:

- Since the study was conducted with the questionnaire and they were given only to 130 employees working in Siemens limited, others were not aware of the project
- This study is restricted to Siemens limited at Chennai
- The respondents is limited only with the executives
- There was also time constraint to meet the executives
- Directly approaching is also a problem
- Respondents’ bias

9. RESEARCH METHODOLOGY
9.1. Research Design
A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

9.2. Sampling Technique
Sampling Technique used in this study is Convenient Random Sampling. Researcher collected the primary data with a structured questionnaire in private hospitals in southern part of Chennai.

9.3. Sample Size
The sample size was fixed at 122 on the basis of convenience sampling from the category of Non-Probability Sampling Method.

10. TOOLS USED FOR ANALYSIS
1. Percentage Analysis using Frequency Table and Diagrams (Bar Chart, Pie Chart, Cylinder Bars, Cone Bars and Pyramid Bars)
2. Chi-Square Test (by using SPSS Software)
3. Anova (by using SPSS Software)

11. ANALYSIS AND INTERPRETATION
11.1. Showing the Educational Qualification of the Employees

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Graduate</td>
<td>31</td>
<td>25.4%</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>18</td>
<td>14.7%</td>
</tr>
<tr>
<td>Professional Degree</td>
<td>64</td>
<td>52.4%</td>
</tr>
<tr>
<td>Other (vocational)</td>
<td>9</td>
<td>7.3%</td>
</tr>
<tr>
<td>Total</td>
<td>122</td>
<td>100%</td>
</tr>
</tbody>
</table>
11.2. Interpretation
The above table and figure reflects that majority of the respondents 52.4% are professional degree holders, 25.4% of the respondents are undergraduates and only 14.7% of the respondents are post graduates.

11.3. Showing the Experience of the Employees

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 5</td>
<td>41</td>
<td>33.6%</td>
</tr>
<tr>
<td>6 - 10</td>
<td>54</td>
<td>44.2%</td>
</tr>
<tr>
<td>11 - 15</td>
<td>19</td>
<td>15.5%</td>
</tr>
<tr>
<td>Above 15 years</td>
<td>8</td>
<td>6.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>122</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

11.4. Interpretation
The above table and figure refers that more than one third of the employees falls under the category of 6 – 10 years of experience. One third of the employees falls under the category 0 – 5 years.

11.5. Chi - Square

Showing the significant difference between years of experience and understanding the objectives and goals of the current change

H0: There is no significant difference between years of experience and understanding the objectives and goals of the current change

H1: There is a significant difference between years of experience and understanding the objectives and goals of the current change

<table>
<thead>
<tr>
<th>Chi-Square Test</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>8.088</td>
<td>12</td>
<td>.778</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>8.372</td>
<td>12</td>
<td>.755</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>2.448</td>
<td>1</td>
<td>.118</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 9 cells (45.0%) have expected count less than 5. The minimum expected count is .98.
11.6. Result

<table>
<thead>
<tr>
<th>Years of experience</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understanding the objectives and goals of the current change</td>
<td>0.778</td>
<td>Accept</td>
</tr>
</tbody>
</table>

11.7. Interpretation

Null Hypothesis is accepted and it means that there is no significant difference between the years of experience and understanding the objectives and goals of the current change. It means the fresher joining in an organization with open mind compared with the experienced employees in an organization, their understanding level about the objective and goals of the current change will remain same. For example, in Siemens before the service engineers for each sector was working individually, now all service engineers will come under one group. Likewise finance of each division maintains separately but now finance comes under Siemens financial service.

Showing the significant difference between the educational qualification and the change made was very clear to the employees

H0: There is no significant difference between educational qualification and the change made was very clear to the employees

H1: There is a significant difference between educational qualification and the change made was very clear to employees

<table>
<thead>
<tr>
<th>Chi-Square Test</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>12.898a</td>
<td>12</td>
<td>.376</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>14.855</td>
<td>12</td>
<td>.249</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.658</td>
<td>1</td>
<td>.417</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is 1.03.

11.8. Result

<table>
<thead>
<tr>
<th>Educational Qualification</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change made was very clear to the employees</td>
<td>0.376</td>
<td>Accept</td>
</tr>
</tbody>
</table>

11.9. Interpretation

Null Hypothesis is accepted and it means there is no significant difference between educational qualification and the change made was very clear to the employees. It means education is necessary for every employee to get a desired job. But the level of education and getting the clarity of the change does not have any relation. Whatever may be an employee qualification level, the change made was very clear to everyone in an organization.

Showing the significant difference between designation and adaptability towards change

H0: There is no significant difference between designation and adaptability towards change

H1: There is a significant difference between designation and adaptability towards change

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>26.895a</td>
<td>12</td>
<td>.008</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>27.578</td>
<td>12</td>
<td>.006</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>2.241</td>
<td>1</td>
<td>.134</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 10 cells (50.0%) have expected count less than 5. The minimum expected count is 1.44.
11.10. Result

<table>
<thead>
<tr>
<th>Designation</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adaptability towards change</td>
<td>0.008</td>
<td>Reject</td>
</tr>
</tbody>
</table>

11.11. Interpretation

Null Hypothesis is rejected and it means that there is a significant difference between designation and adaptability towards change in the organization. It means if the employees are in senior executive level the adaptability is more, in the executive level there is little reluctant to adapt the change and finally, in junior executive level or graduate trainee level the adaptability towards the change is completely rigid.

Showing the significant difference between designation and the frequent communication made with respect to change

H0: There is no significant difference between designation and frequent communications made with respect to change

H1: There is a significant difference between designation and frequent communications made with respect to change

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>12.374</td>
<td>12</td>
<td>.416</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>12.719</td>
<td>12</td>
<td>.390</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>1.184</td>
<td>1</td>
<td>.277</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 12 cells (60.0%) have expected count less than 5. The minimum expected count is .72.

11.12. Result

<table>
<thead>
<tr>
<th>Designation</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequent communication was made with respect to change</td>
<td>0.416</td>
<td>Accept</td>
</tr>
</tbody>
</table>

11.13. Interpretation

Null Hypothesis is accepted and it means there is no significant difference between designation and frequent communication was made with respect to change. It means employee may belong to higher designation or lower designation the frequency of the communication made with respect to change or anything else is going to remain the same, because the organization as a whole is only treated as an artificial body not the individual employees.

Showing the significant difference between experience and there has been two-way communication in decision-making process

H0: There is no significant difference between experiences and there has been two-way communication in decision-making process

H1: There is a significant difference between experiences and there has been two-way communication in decision-making process

E. Maria Jency, “A Study on Employee Attitude Towards Organizational Change - with Special Reference to Siemens Ltd, Chennai” – (ICAM 2016)
**Chi-Square Test**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>28.381a</td>
<td>12</td>
<td>.005</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>33.613</td>
<td>12</td>
<td>.001</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>3.605</td>
<td>1</td>
<td>.058</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is .72.*

11.14. Result

<table>
<thead>
<tr>
<th>Experience</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>There has been two way communication in decision making process</td>
<td>0.005</td>
<td>Reject</td>
</tr>
</tbody>
</table>

11.15. Interpretation

Null hypothesis is rejected and it means there is a significant difference between years of experience and there has been two way communications in decision making process. It means that all the employees are not being communicated in two-way process for decision making. Depending on the experience only employees are allow to participate in the decision making process regarding change, others have to follow whatever the organization decides.

11.16. ANOVA

Indicate the Relationship between the Interval Variable the Employees are Allowed To Play a Part In Decision Regarding This Change Process With Several Profile Variable (Age, Gender, Designation, Experience, Educational Qualification, Salary)

<table>
<thead>
<tr>
<th>Employees are allowed to play a part in decision regarding this change process</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>0.025</td>
<td>Reject</td>
</tr>
<tr>
<td>Gender</td>
<td>0.034</td>
<td>Reject</td>
</tr>
<tr>
<td>Designation</td>
<td>0.015</td>
<td>Reject</td>
</tr>
<tr>
<td>Experience</td>
<td>0.014</td>
<td>Reject</td>
</tr>
<tr>
<td>Educational qualification</td>
<td>0.028</td>
<td>Reject</td>
</tr>
<tr>
<td>Salary</td>
<td>0.032</td>
<td>Reject</td>
</tr>
</tbody>
</table>

H01: There is no significant relationship between the age category and on the issue of employees are allowed to play a part in decision regarding this change

H11: There is a significant relationship between the age category and on the issue of employees are allowed to play a part in decision regarding this change

H02: There is no significant relationship between gender and on the issue of employees are allowed to play a part in decision regarding this change

H12: There is a significant relationship between gender and on the issue of employees are allowed to play a part in decision regarding this change

H03: There is no significant relationship between designation and on the issue of employees are allowed to play a part in decision regarding this change

H13: There is a significant relationship between designation and on the issue of employees are allowed to play a part in decision regarding this change

E. Maria Jency, “A Study on Employee Attitude Towards Organizational Change - with Special Reference to Siemens Ltd, Chennai” – (ICAM 2016)
H04: There is no significant relationship between experience and on the issue of employees are allowed to play a part in decision regarding this change

H14: There is a significant relationship between experience and on the issue of employees are allowed to play a part in decision regarding this change

H05: There is no significant relationship between educational qualification and on the issue of employees are allowed to play a part in decision regarding this change

H15: There is a significant relationship between educational qualification and on the issue of employees are allowed to play a part in decision regarding this change

H06: There is no significant relationship between salary and on the issue of employees are allowed to play a part in decision regarding this change

H16: There is a significant relationship between salary and on the issue of employees are allowed to play a part in decision regarding this change

11.17. Interpretation

Null Hypothesis is rejected which means there is a significant relationship between employees are allowed to play a part in decision regarding this change and factors like age, gender, designation, experience, educational qualification and salary. It means there is no uniformity for the employees to take part in the decision making process regarding change.

12. MAJOR FINDINGS

12.1. Chi – Square

1. Null Hypothesis is accepted and it means that there is no significant difference between the years of experience and understanding the objectives and goals of the current change. It means the fresher joining in an organization with open mind compared with the experienced employees in an organization, their understanding level about the objective and goals of the current change will remain same.

2. Null Hypothesis is rejected and it means that there is a significant difference between designation and adaptability towards change in the organization. It means if the employees are in senior executive level the adaptability is more, in the executive level there is little reluctant to adapt the change and finally, in junior executive level or graduate trainee level the adaptability towards the change is completely rigid.

3. Null Hypothesis is accepted and it means there is no significant difference between designation and frequent communication was made with respect to change. It means employee may belong to higher designation or lower designation the frequency of the communication made with respect to change or anything else is going to remain the same, because the organization as a whole is only treated as an artificial body not the individual employees.

4. Null hypothesis is rejected and it means there is a significant difference between years of experience and there has been two way communications in decision making process. It means that all the employees are not being communicated in two-way process for decision making. Depending on the experience only employees are allow to participate in the decision making process regarding change, others have to follow whatever the organization decides.

5. Null Hypothesis is accepted and it means there is no significant difference between educational qualification and the change made was very clear to the employees. It means education is necessary for every employee to get a desired job. But the level of education and getting the clarity of the change does not have any relation. Whatever may be an employee qualification level, the change made was very clear to everyone in an organization.
12.2. ANOVA

1. There is a significant relationship between the employees are allowed to play a part in decision regarding the change process with several profile variable like age, gender, designation, experience, educational qualification and salary. So, the null hypothesis is rejected. It means there is no uniformity for the employees to take part in the decision making process regarding change.

13. SUGGESTIONS

13.1. Be Intentional about the Change

Keep the whole organization in mind. It is easy to think about making a change in one department without realizing the effects; it will have on all the others. Explore all the potential consequences of organizational change before announcing it.

Make role changes for a specific purpose. Organizational change often leads to an adjustment in roles and responsibilities. People are moved from one department to another or from one location to another. Try to handle these changes sensitively and intentionally.

13.2. Acknowledge the Process of Change

Change takes place in several stages. There are also different emotions attached to the idea of organizational change. Some workers will immediately accept announced changes, while others may deny the need for it, prolong the change itself, or actively resist it. As your company encounters change, keep an eye on how employees are responding.

Do not expect behaviour to change all at once. It will take time for the employees to get used to doing things differently. Do what that can support them during the change process.

13.3. Encourage Feedback

Get feedback from leaders in the organization, as well as from others outside of the company. Give employees the opportunity to ask questions or provide suggestions as your organization moves toward change. Make all the employees to involve in the decision making process.

13.4. Get the Support of those in the Organization

This is vital for helping the organization transition and move forward with the changes that the organization would like to implement. The more can engage and include those in your organization, the better.

Explain the reason behind organizational changes instead of just announcing the change itself. People are more likely to support, if the employee understand why the organization made a particular decision.

Start with the senior leadership team. If the leaders do not support you, it will be difficult to get the support from the rest of the organization.

14. CONCLUSION

Only ‘change’ is permanent. Although left to oneself, no one desires it or like it even when it is imminent. History tells us, though, that change has always been the key to progress – on all fronts of life. But it serves its purpose best when channelized – when it is not permitted to come as a surprise. It cannot happen all by itself – unless we permit neglected forces to invade us in a disorganize cascade. It pre – requires proaction, not reaction. The only change you can ‘proactivate’ is with, for and to you! Thus, change begins with you – starting with a lot of honest introspection and planned action for self – development. If you do it right, there is a good chance you may also ‘influence’ others – ‘things’ and ‘people’ – to lend themselves to the change you began.
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