

The Role of Employees in a Process of Change – A Case Study for the Romanian Organizations

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Abstract

Change is inevitable and in order to successfully manage a process of change, business leaders have to acknowledge and understand the forces that drive it.

This study aims to analyse the role that employees may have in a process of change, as an internal force of change within the organization, along with other drivers of change such as managers or the organizational particularities.

A secondary outcome is to understand why in many cases employees have a negative attitude toward change, being a source of resistance to change rather than being supportive and enhancing it.

Based on the analysis of more than 200 completed questionnaires, this article presents the conclusions regarding the contribution that employees from different Romanian organization have in a process of change and the reasons why they do so.

Keywords: *change, employees, leaders, resistance to change, forces of change.*

JEL classification: M10, M12

Introduction

Change is becoming more and more significant and inevitable in any organization's day to day activities forcing managers to struggle for maintaining their position in a highly competitive market.

The environment where most of the organizations are operating today is turbulent so the need for change has become a must. In order to assure the success of their organizations managers have to be aware of the opportunities and threats created by the environment and to prepare for change.

This article aims to study how the employees are involved in a process of change and which are the main reasons for them to act in a certain way when a process of change is implemented inside the organization.

Considering that any process of change takes time and needs the support of the whole organization, we have tried to identify which is the perception of both

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Romanian managers and employees regarding this subject. Moreover, we also tried to see how are managers motivating and rewarding their employee's initiative and creative ideas and how do employees feel about the changes that take place inside the organization.

1. The main roles played in a change process

Change is the most frequent phenomenon of today's reality and can be found everywhere, so a good knowledge of how this process can be managed is very important, no matter if we refer to organizations or to people. The pace of change is accelerating continuously, and there is no perspective for it to slow down very soon.

Managers can no longer focus on business as they usually did because the pressure of the environment force organizations to adjust in order to survive and prosper, and the main challenge is to manage change efficiently (Westover, 2010).

Even if change can be found everywhere, managers still have a delay on responding properly and this behavior generate low results for their organizations (Barbu, Năstase, 2010).

A vision for change is essential in order to deal with the environment's complexity, but not all changes should be reactive and done only when the current situation of the organization is as bad as that changes become inevitable. Leaders are the ones that should play the main role inside the organization not only because of their long term vision and disposition for change, but also because they can reduce the resistance to change by involving as many people as possible in this process.

A strategic leader has a global vision of the organization as a whole, long term thinking despite the numberless uncertainties of the environment and encourages people to come with new ideas in order to make change possible inside the organization (Năstase, 2010).

Every change takes time, effort and needs the support of the whole organization. The role that employees have in a process of change is crucial, and one of the main things that should be done in order to avoid crisis and resistance is to make sure that every member of the organization is involved in the process (Stanleigh, 2008; Smith, 2010).

John Kotter emphasized the importance of a good vision, a sense for urgency and a strong team as the key factors of success in a change process, arguing that most of the transformation efforts fail because managers are not aware that a change process goes through a series of phases that require a considerable length of time (Kotter, 1995).

In the classical organizations, the supposition that managers have much more knowledge compared to their subordinates make them feel entitled to make decisions without consulting or involving employees (Bibu et al., 2011). This perception is also valid when we refer to change, so instead of being a force that drives it, employees are rather a force of resistance to change.

Resistance to change is something inevitable, in any process and it can be seen as an emotional reaction or a behavioral one that has to do with the feeling of losing control and uncertainty (Foster, 2010). Employees are the most powerful source of resistance because they don't feel involved and consulted when a change occurs, so they try to reject the change as much as possible.

In most cases, the main perception is that resistance is something destructive for the organization, affecting the success of any change effort and making the change process even harder than it already is (Sweers, Desouza, 2010; Smollan, 2011; Agboola, Salawu, 2011).

Even if in some situations resistance can have positive effects upon a process of change, if that change is not appropriate for the organization, there is still need to reduce this phenomenon in order to achieve the goals in a more efficient way (Predișcan, Bradușanu, Roiban, 2013).

The roles played in a process of change are different, and managers, leaders and employees should all be involved in the process of identifying the need for change as being opportune in order to increase support for change and obtain the desired results after the process is finished.

2. The role of Romanian employees in a process of change

There are many differences between organizations and the role that employees may have regarding change depends first of all of the view that managers have related to this subject and second of the existing management style inside that particular organization.

In order to see what is the contribution of the Romanian employees in a process of change we have tried first to establish appropriate research methodologies, then we have identified the sample and in the end after gathering and analyzing the data, we have made the interpretation.

2.1 Research methodology

The objective of this article is to show the results of the analysis regarding the role that employees have in the process of change identification and implementation, therefore, we considered appropriate to use a quantitative research method for gathering the information, more specifically a questionnaire-based survey, as well as a qualitative method by using a semi structured interview.

The process of data gathering was performed in June - July 2013, exclusively online on various Romanian organizations from different industries such as services, trading, manufacturing and public services, and it was addressed to both managers and employees, in order to see which are the main views regarding the topic.

In order to see which are the main initiators of change and what are the reasons for them to implement change, we have formulated two different hypotheses as follows:

H1: Most changes come from managers and owners;

H2: Without a motivation system inside an organization, employees are not a significant source of change.

The two hypotheses mentioned above are based on the premise that employees' involvement in a process of change is minor, due to the fact that managers are not aware of the advantages that can be provided by new creative ideas and solutions of change generated by their staff.

2.2 Data analysis and interpretation

The information collected from the questionnaires, and the interviews was processed using SPSS 17.

Of the 257 questionnaires distributed, 218 were validated and the respondents were mainly managers from different levels (72% from a total of 218). The percentage of the employees that were included in the study was 28%.

For a better understanding of how the employees are involved in a process of change, we will present the results for each hypothesis.

H1: Most changes come from managers and owners

For the validation of this hypothesis, we have tried to identify how frequent the proposals of improvement coming from employees, managers and owners are leading to changes inside the organization. The results were: in 37.60% of cases rarely the employees proposals lead to change, in 46.80% of cases the proposals coming from owners are often a source of change while 55% of the respondents consider that change ideas coming from managers are always materialized. Thereby *the hypothesis is valid.*

The main reason why managers are the initiators of change comes from their responsibility inside the organization which is to make sure that goals are reached efficiently according to the strategy, yet this is not a reason strong enough for them to be the only ones identifying the need for change.

Owners have the power to participate and decide on the changes that will be made, as a result of their investment to the organization capital so the fact that their opinion regarding change is important, shouldn't be a surprise.

The minimum involvement of the employees for most of the Romanian organizations can be explained by the fact that in our country, the power is still very centralized, especially in small and medium sized companies, and the process of delegation is not fully and accurately implemented. Most managers don't seem to understand the importance of encouraging employee participation not only for their ideas of change that can be very effective but also for the fact that any change needs the support of as many people as possible in order to reduce the inevitable resistance that comes with it.

H2: Without a motivation system inside an organization, employees are not a significant source of change.

In order to test this hypothesis we considered four assumptions regarding the relationship between employees and change:

- how many of the ideas coming from employees are a potential source of change;
- how are employees motivated to make change proposals;
- how are employees involved in a change process;
- how are employees rewarded for their ideas and proposals regarding change.

As we can see in the following figure, the employees are the last source of change, in only 9.17% of cases their ideas being actually considered by managers.

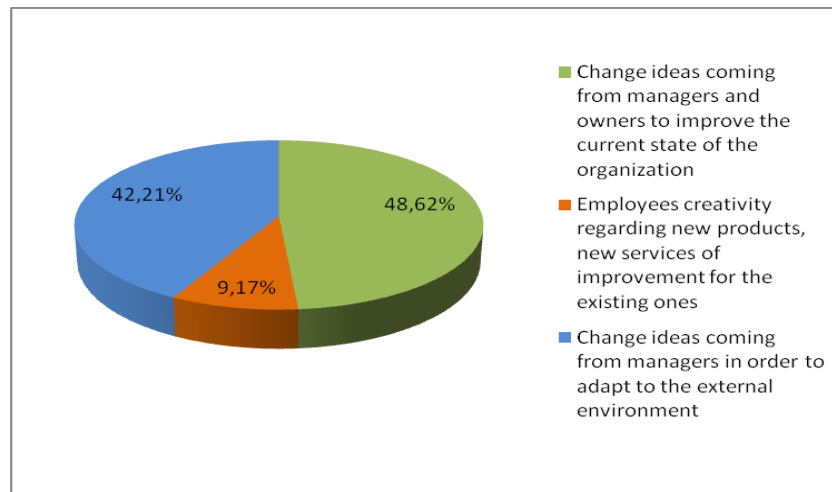


Figure 1. The main sources of change within organizations

The reason why employees have such a low percentage when we refer to the main sources of change is due to the fact that managers have the wrong impression that their staff is not capable to find new ways of improving the existing processes inside the organization. Employees are often discouraged because their efforts seem to be in vain due to many barriers raised by the organizational structure or by the manager's attitude towards his subordinates.

Regarding the second assumption, employees are not motivated to make change proposals, in 46.80% of cases the respondents considering that employee motivation for change is insignificant.

The situations in which managers refuse right from the start any idea coming from their subordinates are not few, or even if their answer is not a negative one right from the beginning, they address too many questions regarding that idea, confusing the employees and making them stop trying to come with something new.

The fear of losing their power that comes from their position inside the organization is another reason why managers do not encourage employee initiative.

Beside the fact that employees are not motivated, their involvement in a change process is very small, 41.30% of the respondents stating that changes performed inside the organization are not discussed with the employees before being implemented. This is one of the main reasons why employees are a source of resistance to change, more than a factor that supports it.

There are many ways to reduce the resistance to change, but the most efficient behaviour is to prevent it by involving as many people as possible in a change process. The enthusiasm and the support of the employees are a key factor for successful change.

The last assumption focuses on how are employees rewarded when they get involved, and come with something new. As well as in the case of the previous assumptions, the results are not very positive because only 3.5% of the respondents declare that, inside the organization, there is a system that rewards the ones that make proposals of improvement.

Without winning something, especially if we consider that employees are neither motivated nor involved in a change process, they won't feel the need to express their opinion or to make an effort that could lead to improvements inside the organization.

Using interviews as a tool to gather information we discovered that managers and employees have different views of the analyzed subject. For example, managers argue that they cannot use a participative management style due to the lack of interest from employees, so they are forced to impose all the decisions that have to be made. On the other hand, employees state that managers discuss the change process only after the idea of change has already been identified so, what should have been a discussion where everybody can express what they feel, it's actually more a report on what will be done in the future.

There are different roles in a process of change, and real leaders have the capacity to determine other people to act in a certain way. Starting from this, the real leaders can inoculate to employees that the idea of change is actually their by favoring a proper context for change.

From everything stated above, the *hypothesis is valid*, and employees are not motivated, involved or rewarded when it comes to change.

Conclusions

Based on the research made we can conclude that the role that employees have in the Romanian organizations is insignificant due to the fact that managers don't seem to acknowledge the advantages and the strengths that can be identified by using a participative management style inside the organization. There is still a very stringent need for business leaders that have a vision for change, support it and make others enhance it.

Creating a climate for change and an organizational culture that supports change is not an easy thing to do, and that's why so many change efforts fail even before the process is completed.

We all have creative potential, but without the appropriate techniques to stimulate it, no results will be shown.

Managers need to understand how important is the support from their staff and should reward any behavior that leads to change, because employees need short term wins in order to be stimulated and continue to identify new ideas, products or services, or to improve the existing ones.

Without motivation, involvement and a system that rewards their effort, employees will not be determined to embrace change and will resist it as much as possible.

Even in managers have the final word on what to change, how to do it and when to do it, the identification of the need for change is not only their task and each member of the organization should have the right to try to come up with something new that adds value.

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