Overview of Change in Organizations. Resistance to Change.
A Literature Review

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Abstract

Global economy continues to influence the way in which companies carry out their business more and more. Therefore, the current business environment, impacted by globalization, has forced these organizations to manage change in an effective and efficient manner, and change management has become one of the key management skills in organizations.

In this context, change management is an essential component in company success, which is why the literature describing the success initiatives of change management is increasingly extensive.

The topics most studied in the literature imply resistance to change, employees' readiness for change, leadership effectiveness, employees' involvement, participation and commitment in change processes, and the roles and skills required for the success implementation of organizational change.

The purpose of this study is to present two major topics discussed in the literature, namely, resistance to change and employees' readiness for change.

Key words: change, change management, resistance to change, readiness for change
J.E.L. classification: M10, M12, M19

1. Introduction

We must prepare for "the future that has already happened", according to the statement of the management theoretician Peter Drucker (Kinicki & Williams, 2020, p.376). There are super trends that specifically shape the future of business (Kinicki & Williams, 2020, p.376):

- *"The market is becoming more segmented and oriented towards niche products"*: in the recent past, managers could think in mass market terms - mass communication, mass behaviour and mass values. Nowadays, we are facing a "demassification" process, the client groups being broken down into smaller and more specialized units and responding to commercial messages directed in a more restricted manner. Such marketing messages can even be modelled and customized through artificial intelligence, allowing robots, for example, to engage in conversations with individual consumers or with small consumer groups. Some suggest that this type of customer-oriented marketing can help create relationships leading to customer loyalty and repeat business.
- *"The competitors providing specialized solutions are steering the faster launch of products on the market"*: companies that need too much time to make their products available for sale may not succeed in using a narrow window of opportunity before their competitors.
- *"Know-how rather than information is the new competitive advantage"*: since information technology covers more of the work previously performed by humans, even in high technology sectors, many employees formerly considered "knowledge workers" are now recognized as "data workers".

Change involves the dismantling or restructuring of organizational structures, hierarchies, culture and strategies to facilitate new flexible work models which will accommodate the potential issues arising out of resistance to change (Awoke, 2020).

Change management is not a distinct discipline with rigid and clear-cut boundaries. On the contrary, change management theory and practice rely on several disciplines and social science traditions. For example, management education and learning theories, which help us understand the behaviour of those in charge of change management, cannot be thoroughly discussed without reference to psychology theories. The latter, in their turn, cannot be discussed without "mentioning the theory of knowledge (epistemology), which is a genuine philosophical field per se" (Raza *et al*, 2018).

2. Literature review. Overview of Change in Organizations

Change is a migration from the current situation to a desired future situation. Change management as a practical activity is aimed both at configuring the desired situation and at managing the successive transition through several intermediary stages until the desired situation is reached. Change in organizations is represented by any change in the organization's state of affairs. As a discipline, change management focuses on voluntary organizational change in response to environmental factors, or on the organization's own initiative, a change that must be managed in order to achieve a desired future condition (Srivastava & Agrawal, 2020; Georgalis *et al*, 2015).

Change management has been also defined as "the process of continually renewing an organization's direction, structure and capabilities to serve the ever-changing needs of external and internal customers" (Sundus *et al*, 2017, p.17). It also refers to the adoption of an idea, procedure, process or behaviour that is new to an organization. The major objective of change management is "to maximize the collective benefits for all people involved in the change and to minimize the risk of failure to change. The major obstacle to change management is resistance to change" (Sundus *et al*, 2017, p.17).

This being said, it has been acknowledged for a long time that change in organizations tends to focus on achieving one of the three following types of outcome: individual change, group change or system change (Sandelands, 2010).

For example, Maslow and the early human relations movement focus predominantly on the role of motivation and individual behaviour. Lewin and Schein, while acknowledging the importance of individual behaviour for the overall performance of the organization, claim that a change in group behaviour is the best way to improve performance. Senge, however, adopts a systemic approach to improvement. He considers the interconnectedness of organizational life as "the most important factor and consequently, the starting point of change" (Burnes, 2017, p.8).

Change management refers to the achievement of an optimal design of the path leading from the starting point to the goal. Pursuing this interpretation of the concept, change management does not involve defining the content of the goal itself, nor developing the methods to achieve such corporate goals or strategies (Guidetti *et al*, 2018).

Since change management refers primarily to handling change by taking into consideration the human factor, the related methods can be applied to three elements (Lauer, 2021, p.7):

- *"Individuals*: they form the smallest social elements of organizations. Without their active participation, change in organizations is not possible". Change management in relation to individuals means not only the adjustment of skills to new challenges, but also the promotion of a positive attitude required for the change goals and the involvement in it.
- *"Corporate structures:* they include the formal structural and processual organization, as well as the strategies and resources". Their change is simple on paper, but the informal structures which tend to develop in the long term and through evolution often resist such changes.
- *"Corporate culture:* the permanent, rather informal structures which are responsible for attitudes, values and informal rules of behaviour form the corporate culture and are independent of the individual to a significant extent". A change at an individual and structural level, without the involvement of corporate culture, is often affected by considerable issues or even bound to fail completely.

Figure no. 1.Starting points for change management
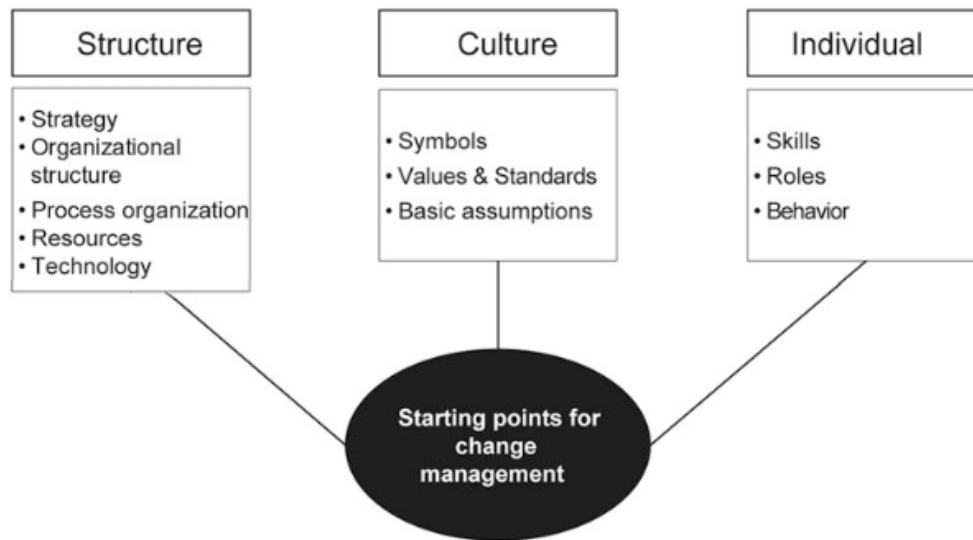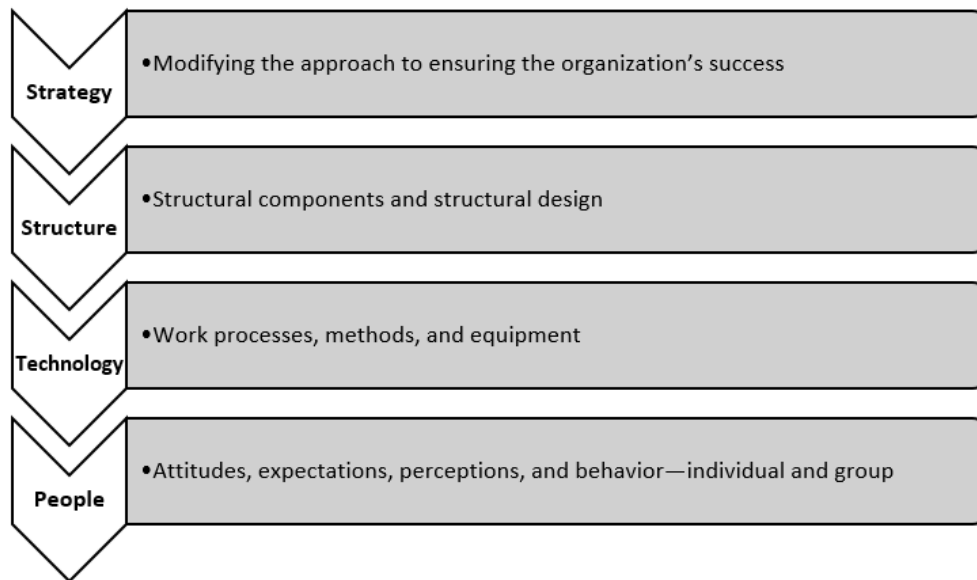

Source: (Lauer, 2021, p.7)

Change management is therefore a complex task, which not only starts at different levels, but must bring together in a constructive manner the most diverse interests of those involved. In this respect, knowing the potential causes of failure is as important as knowing the factors which contribute to its success (Lauer, 2021, p.8).

Managers have to deal with four main areas of change: strategy, structure, technology and people (figure no. 2). Strategy change means a change in the manner in which managers ensure company success. Structure change includes any modification of the variable structures, such as reporting relationships, coordination mechanisms, employee skills or job reconfiguration. Technology change includes "changes in the working manner or methods and the equipment used". People change refers to "changes in individual or group attitudes, expectations, perceptions and behaviours" (Robbins *et al*, 2018, p.213).

A classification of changes, of high importance for change management, is from the perspective of the types of events that generate the need for change. Based on these types of events, there are three main categories of change (Kinicki & Williams, 2020; Brisson-Banks, 2010):

- "closed change": there is certainty as to what has happened, the causes and the measures to be taken;
- "contained change": there is reasonably certain knowledge of what has happened, the causes and the measures to be taken;
- "open-ended change": there is broad disagreement as to what has happened, the causes and the measures to be taken.

Figure no. 2. Four Types of Change

Strategy	•Modifying the approach to ensuring the organization's success
Structure	•Structural components and structural design
Technology	•Work processes, methods, and equipment
People	•Attitudes, expectations, perceptions, and behavior—individual and group

Source: (Robbins *et al*, 2018, p.213)

The process of change in organizations comprises six steps, in a cyclical model (Georgalis *et al*, 2015):

- perceiving an opportunity or a problem;
- diagnosing the situation and generating ideas for change;
- adopting a change proposal;
- planning to overcome resistance to change;
- implementing the change;
- monitoring and assessing the results.

The forces that generate change, both from outside and from inside the organization, are those which impose the need for change in organizations. The forces operating from outside the organization are represented by four types of external forces, as follows (Kinicki & Williams, 2020, p. 381-382):

- *"Demographic features"*: age, education, level of skill, gender, immigration.
- *"Technological progress"*: technology does not refer only to computer technology; it is any machine or process allowing an organization to obtain a competitive advantage in changing the materials used to produce a finite product.
- *"Social and political pressures":* social events may generate considerable pressure.
- *"Shareholders, customers and market changes"*: changes in customer preferences, national and international competition, mergers and acquisitions.

The forces originating from the organization are internal forces affecting the organization, such as low job satisfaction. Internal forces may be of two types:

- *Human resource concerns*: unsatisfied needs, job dissatisfaction, absenteeism, low turnover and productivity, weak participation/involvement of the employees, complacency, bureaucracy.
- *Management behaviour*: conflicts, leadership, remuneration system, structural reorganization, change of goals.

As can be seen in figure no. 3, the need for change is catalyzed by dynamic environmental changes, which generate new requirements for success in the organization's market. New customer requirements bring about a need for new business strategies, which require changes in the organization in order to be carried out. They may include changes in the structure, systems, business processes or technology (content). If such changes in the organization are sufficiently relevant, the organizational culture must change in order to change the manner in which the people within the

organization perform their activity. Culture change generates changes in behaviour and thinking among both leaders and subordinates. Figure no. 3 shows that the driving forces of change switch from external and impersonal (environment, market, organizations) to internal and personal (culture and mentality) (Anderson & Ackerman Anderson, 2010, p.32).

Figure no. 3.The Driving Forces of Change

Source: (Anderson & Ackerman Anderson, 2010, p. 32)

3. Research methodology

Management research deals fundamentally with the creation and legitimation of various forms of knowledge associated with management practices. Traditional approaches to management research involve a varied combination of key processes, observation, reflection, theoretical conjunctures and testing of theories and hypotheses, creation and development of models to acquire the essence of management realities (Partington, 2002).

The present study is based on qualitative research methods, which is a form of social action that emphasizes the way people interpret and give meaning to their experiences in order to understand the social reality of individuals and organizations. Qualitative research uses interviews, journals, articles and observations to obtain, analyze, and interpret the data content analysis of visual and textual materials (Mohajan, 2018). Qualitative research is exploratory and seeks to explain "how" and "why" a certain phenomenon works as it happens in a certain context (Mohajan, 2018).

The roots of qualitative research are found in social and cultural anthropology, philosophy, psychology, history and sociology. The purpose of qualitative research is to systematically describe and interpret problems or phenomena from the point of view of the individual or population studied and to generate new concepts and theories (Mohajan, 2018).

In this respect, the present study analyzes the concepts of change in organizations and resistance to change. Thus, we tried to highlight the aspects of organizational change, the forces that generate change, types of change, change management, resistance to change, techniques for reducing resistance to change and change readiness.

Therefore, the present study has the following specific objectives:
- To provide a theoretical foundation, based on the study of the literature, of the concepts of change in organizations, change management, resistance to change and change readiness.
- To provide sufficient information to understand change in organizations and resistance to change.

- To briefly describe the forces that generate change, types of change, resistance to change, techniques for reducing resistance to change and change readiness.

We mention the fact that this study is a starting point for conducting a quantitative research that aims to study organizational change in IT companies in Romania.

4. Findings. Resistance to Change

Resistance is a phenomenon that affects the process of change, delaying or slowing down its commencement, hindering or preventing its implementation and increasing the implementation costs. Resistance to change is "a tridimensional negative attitude towards change which includes affective and behavioural components and must be overcome or removed" (Sundus *et al*, 2017, p.17).

Resistance to change is a topic of frequent concern in the literature. The process of change is "delayed because of such resistance, which is perceived as a collateral damage of change efforts". Resistance may take many forms, such as "deliberate tardiness, resignation, strikes, sabotage of the organization's property, etc." (Sundus *et al*, 2017, p.17; Amarantou *et al*, 2018; Ford *et al*, 2008).

Srivastava & Agrawal (2020) consider that the human dimension is the most important element in the successful implementation of change, being manifested in the employees' feedback concerning change. Change in organizations has been explained in the literature as a transition from the known to the unknown, which is generally not supported by employees unless there are significant reasons for change that have been duly communicated to them. Therefore, employees often show resistance to change in their tendency to preserve the status quo, whereas the change process focuses on the modification of the status quo.

The reasons why employees usually show resistance to change are the fear of the unknown, the misunderstanding of the need for change and of its repercussions, and a low tolerance towards change. According to Dent & Goldberg (1999), people do not actually resist the concept of change but rather the loss of their status, benefits or comfort.

Collinson 1994 (Srivastava & Agrawal, 2020) defined resistance as a behaviour in employees that challenges, disrupts or inverts prevailing assumptions, discourses and power relations.

Robbins *et al* (2018) state that the main reasons for resistance to change in organizations are uncertainty, habituation, concerns about personal loss and the belief that change is not in the interests of the organization. Change replaces the known with uncertainty. Another cause of resistance is that individuals tend to do things out of habit, and when confronted with change, their general tendency to respond in the usual manner becomes a source of resistance. Change threatens the individuals' investment in their status quo. The more people have invested in the current system, the higher their resistance to change (Ford *et al*, 2008).

According to organizational researchers, the success of change initiatives can be determined by the individual's feedback to change. The functioning of an organization is determined by the functioning of all its members. Thus, it can change only when its members' behaviour changes. "It is impossible for an organization to change significantly unless its employees believe, think and behave differently" (Sundus *et al*, 2017, p.17).

Gardner, Pierce and Dunham 1989 (Sundus *et al*, 2017, p.18) have suggested three types of individual response to change: "affective, cognitive and behavioural. The affective response refers to the individual's reaction to change, whether it is satisfaction or anxiety. The cognitive response consists of opinions on utility, necessity and the knowledge required to cope with change. Instrumental behavioural responses refer to the actions that have already been carried out or are to be carried out in order to cope with change" (Rahe & Morales, 2005; Ford *et al*, 2008).

Employees' resistance to change must be managed by means of support and involvement from their managers. Employee involvement and empowerment are frequently mentioned in the literature as being helpful in reducing resistance to change. Kotter and Schlesinger 2008 (Sundus *et al*, 2017, p.18) presented a better perspective to encourage and support employees in coping with change, by stating that "the context and content of change per se vary significantly among organizations and should determine the adequate response". They emphasized several approaches, from education to constraint, describing who should use them and when in order to reduce resistance, and detailing the pros and cons (Amarantou *et al*, 2018).

Enders *et al* (2020) stated that resistance to change is, despite its negative connotation, a natural propensity of human disposition. This innate resistance behaviour is the individual's intrinsic desire to maintain a psychological balance offering a sense of security and control. Thus, this intended balance may be disturbed by behavioural change, which is why individuals usually avoid initiating or actively embracing change. However, the reasons for resistance are either active or passive: active resistance is defined by conscious rejection motivated by contradictory beliefs or traditions or by functional issues. In contrast, passive resistance occurs even before the actual assessment of an innovation and is caused by a general aversion to behavioural or attitudinal changes (Guidetti *et al*, 2018).

Concerning the techniques used to counteract resistance to change, Robbins *et al* (2018, p.218) have mentioned: "education and communication, participation, facilitation and support, negotiation, manipulation and cooption, and coercion respectively". These techniques are summarized in table no. 1. Managers should use such techniques as instruments, selecting the most appropriate amongst them based on the type and source of resistance.

Education and communication can "help reduce resistance to change by helping employees see the logic of the change efforts". This technique assumes that resistance is mostly determined by misinformation or poor communication (Robbins *et al*, 2018, p.218).

Participation means "involving the people directly impacted by the proposed change in the decision-making process". Participation allows these individuals to express their feelings, thus enhancing the quality of the process and increasing the employees' commitment to the final decision (Robbins *et al*, 2018, p.218).

Facilitation and support imply "helping the employees cope with the change-related anxiety". This help may include counselling, therapy, development of new skills or short-term paid leave of absence. Negotiation involves "exchanging something of value for an agreement to reduce resistance to change efforts". This technique may prove quite useful when the resistance comes from a strong source. Manipulation and cooption refer to "the attempts to influence other people with respect to change". Coercion can be used to cope with resistance. Coercion involves "making use of the managers' authority to punish the subordinated staff's behaviour" (Robbins *et al*, 2018, p.218).

Table no. 1 Techniques for Reducing Resistance to Change

Technique	When Used	Advantage	Disadvantage
Education and communication	When resistance is due to misinformation	Clear up misunderstandings	May not work when mutual trust and credibility are lacking
Participation	When resisters have the expertise to make a contribution	Increase involvement and acceptance	Time-consuming; has potential for a poor solution
Facilitation and support	When resisters are fearful and anxiety ridden	Can facilitate needed adjustments	Expensive; no guarantee of success
Negotiation	When resistance comes from a powerful group	Can "buy" commitment	Potentially high cost; opens doors for others to apply pressure too
Manipulation and co-optation	When a powerful group's endorsement is needed	Inexpensive, easy way to gain support	Can backfire, causing change agent to lose credibility
Coercion	When a powerful group's endorsement is needed	Inexpensive, easy way to gain support	May be illegal; may undermine change agent's credibility

Source: (Robbins *et al*, 2018, p.218)

While changes can generate acute reactions in the process of organizational change, employees are also interested in how being open to change can bring them benefits. Change readiness, as opposed to resistance to change, is another concept subject to debate in the literature. Until now, readiness "has been considered a fundamental precursor for the implementation and management of productive changes" (Bateh *et al*, 2013).

The concept of "change readiness" is reflected in the Lewis model of organizational change, which requires that organizations should first unfreeze the existing mentalities and develop a sense of emergency before actually starting to implement changes. Some employees are more loyal to relationships whereas others are more loyal to the organization's structural components, which are often based on principles such as efficiency, tradition or creating an acceptable match with counterpart organizations (Chenevert *et al*, 2019).

Usually, both elements must be approached during the organizational change process. In order to facilitate employee readiness and overcome resistance, some employees need to know that the organization's staff is being treated fairly during the process, whereas others are more concerned about the logic of the decisions in connection with the structural change.

To facilitate preparedness and overcome resistance, those employees who are more concerned about relationships must be convinced that certain staff changes are necessary and will be made with utmost respect and fairness. The employees concerned about structure may question whether the change is actually necessary and useful or, on the contrary, is a capricious idea of the top managers who want to leave a mark without fully considering the implications. These employees are more likely to adopt a position depending on which change brings about few benefits but many obstacles. They will probably accept the changes if they can be convinced that short-term challenges will ensure long-term benefits. In order to engage them in the change process, "they must be convinced that the long-term benefits will be more rewarding than the inherent short-term disruptions and inefficiencies of the change process" (Bateh *et al*, 2013, p.114).

5. Conclusions

Global economy continues to influence the manner in which companies run their business. All workplaces are subject to change. The pace of change is substantially different from one place to another and frequent changes may create a stressful environment for employees. Change in organizations is an ongoing daily challenge. However, the current business environment, impacted by globalization, has made it necessary for organizations to manage change, and change management has become one of the key management skills.

The purpose of this study is to present two major topics discussed in the literature, namely, resistance to change and readiness for change.

Change is a migration from the current situation to a desired future situation. Change management as a practical activity is aimed both at configuring the desired situation and at managing the successive transition through several intermediary stages until reaching the desired situation. Change in organizations is represented by any change in an organization's state of affairs. As a discipline, change management focuses on voluntary organizational change implemented in response to environmental factors or on the organization's own initiative, a change that must be managed in order to achieve the desired future condition (Srivastava & Agrawal, 2020).

Change management is a complex task, which not only starts at different levels, but must bring together the most diverse interests of those involved in a constructive manner. In this respect, knowing the potential causes of failure is as important as knowing the factors which contribute to success (Lauer, 2021).

Resistance to change is a topic of frequent concern in the literature. The process of change is delayed because of such resistance, which is perceived as a collateral damage of change efforts. Resistance may take many forms, such as deliberate tardiness, resignation, strikes, sabotage of the organization's property, etc. (Sundus *et al*, 2017, p.17).

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that the context and content of change per se vary significantly among organizations and should determine the adequate response.

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