

METHODS FOR DEALING WITH RESISTANCE TO CHANGE

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Abstract. The study focuses on effective methods used to address resistance to business change. The aim of the study is to provide information related to methods of handling resistance to change and to present empirical results for each method that is used. In the study, the author uses quantitative methods, and more concretely, the questionnaire technique for data collection. Quantitative research methods that are used include linear regression, cross-tabulations and Pearson Chi-Square test. In this study, 399 businesses in Kosovo were involved. 64 cases of study (businesses) were excluded from the study because these businesses did not use any of the methods presented in the resistance treatment study. The results of the study show that support as a method of resistance treatment is mostly used by the businesses under consideration. The use of these methods has made the changes to be more effective in increasing revenue, providing superior organisational performance and steady market position. This study creates value for businesses, focusing on the importance of using methods for addressing resistance and the success of changes in organisations. However, in reality many initiatives for change fail in achieving their objectives. This fact promotes the interest in recognising those factors that influence the successful implementation of change efforts in organisations.

Keywords: *employees, organisations, success of change, support.*

INTRODUCTION

Resistance to change is considered to be one of the key factors in failing on the success of changes in business. People resist change because changes are seen as a threat to them, their status and financial rewards. Change management programs must have been the result of the fact that many people resist change. There are many people who are stimulated by change and see it as a challenge and an opportunity. But they are scarce. Resistance to change can be seen as an action by groups or individuals when they see change as a result. Businesses that use any method or form of reduced resistance are likely to manage the process of effective change. In this study, the author presents an effective method of using business in Kosovo to address change resistance, giving the effectiveness of change usage. By explaining the methods of handling resistors to change, information was provided starting from support as a method of dealing with change, then negotiation, education and communication, obligation (open and hidden) and manipulation as a method. Pearson Chi-Square test was used to test the significance between the variables.

Resistance at the organisational level usually results in resistance at an individual level (Robbins, 2003). Resistance is any adverse reaction, force that

prevents change, contradiction, whereas resistance must be overcome or eliminated (Mabin, Forgeson, & Green, 2001).

Although the changes apply to positive effects, to be competitive in the market, to adapt to external factors, employees often resist change, and this negative response to change is due to changes in stress, insecurity for employees, pressure increase (Armenakis & Bedeian, 1999). They explain that this way, resistance “can be an important source in improving the quality and clarity of objectives and strategies at the center of a change proposition. And used properly, can increase the opportunities for successful implementation” (Ford & Ford, 2009). Change is a situation that interrupts normal organisation patterns and pushes employees to adopt new models that involve intentional and emergency interaction, often these processes may be unclear (Mintzberg & Waters, 1985).

The results of the study show the use of methods for resistance treatment to businesses, which have applied different methods for resistance treatment.

1. LITERATURE REVIEW

“Change processes are driven by several strategic considerations” (Schilling & Steensma, 2001). Balogun and Hope Hailey (2008) point out that change processes are the need to improve business performance. People resist change because change is seen as a threat to them, their status and financial rewards. Joan Woodward (1968) (cited in Armstrong, 2010) made this point clearly, “resistance to change, employees are emotional to change or unjustified and do not respond appropriately to changes”.

However, some people will welcome change as an opportunity. Employees who welcome change can be used to help introduce changes as agents of change (cited in Armstrong, 2010). In organisations, resistance to change is related to concerns about the implications of change, and there seems to be some attitude or behaviour that demonstrates willingness to support perverted changes (Mullins 2005; Schermerhorn et al., 2005) (quoted in Yılmaz & Kılıçoğlu, 2013).

Globalisation, economic crises, “developments in information and communication technology, demographic changes dramatically force human beings to change” (Ragsdell, 2000).

Change management programs must have been the result of many people resisting change. There are many people who are stimulated by change and see it as a challenge and an opportunity. But they are a few. People have one of the following reasons for resisting changes (Armstrong, 2009):

- This will not work;
- We have made the change;
- Change is first tried but unsuccessfully;
- This is not practical;
- It will not solve the problem;
- Change can be dangerous;
- It's purely based on theory;
- These changes will cost us a lot;

- These changes will host consumers, managers, workers, shareholders;
- Changes can give more trouble than solutions.

Resistance to organizational change should be seen as an obstacle to organisational expansion due to adverse consequences (Boohene & Appiah Williams, 2012). Traditionally, resistance to change is considered an enemy of change, and should be defeated if the change is successful. Wadel and Sohal (1998) (quoted in Muo, 2014) are of the opinion that resistance to organisational change has been exacerbated by bad understanding and mismanagement, and that management will benefit from resistance to change, seeking ways of using it for change, instead of trying to overcome resistance to change. Resistance is an important source of innovation because it encourages research into alternative methods and results and thus synthesises any contradictory perspectives that may exist (Muo, 2014). Including employees and providing opportunities to give feedback, many difficulties can be overcome and the overall outcome is far more likely to be good (Suresh, 2001).

The most powerful barriers to change include (Lunenburg, 2010):

- Insecurity;
- Concerns about Personal Loss;
- Group Resistance;
- Dependence;
- Confidence in Administration and
- Awareness of Weaknesses Related to the Proposed Change.

Approaches that explain the employee's resistant behaviour vary considerably depending on the viewpoints of the researchers. Resistance to change is an action undertaken by individuals or groups when they perceive change as a threat. Employees tend to have a high inclination to make changes when environmental factors pose no other choice than change, so in this situation the organization's employees are forced to change (Samuel, 2013) (quoted in Eseroghene Franklin & Balbuena Aguenza, 2016). Miller and Friesen (2000) (quoted in Eseroghene Franklin & Balbuena Aguenza, 2016) point out that employees tend to show resistance to change even when business environment factors disappear. Reasons for employee resistance to change are different and vary depending on the individual's personality. An employee can well accept a change, while another looks angrily. Managers need to be aware that employees can withstand changes in different ways. Based on the Coch and French's study, Laenence argued that the main reason why employees resist change is due to the loss of social status within the organisation, while Dawson points out that the main reason for resistance to change is that change can break the continuity of a working environment, creating a climate of uncertainty and ambiguity (quoted in Mutihac, 2010).

According to Zander (quoted in Mutihac, 2010), there are five main reasons for resisting change:

- Uncertainty about the nature of change;
- Different interpretations regarding its change and impact;
- Strong forces prevent individuals from change;
- Top-down forces impose on individuals who are affected by change;

- Personal interest in direction of change;

Resistance to change can be classified into three dimensions (Eseroghene Franklin & Balbuena Aguenza, 2016):

- Technical resistance;
- Political resistance and
- Cultural resistance.

Technical resistance results in follow-up of defined procedures focusing on actions related to the preservation of the status quo (Eseroghene Franklin & Balbuena Aguenza, 2016). Despite the fact that change is implemented positively, employees often respond to change efforts negatively and resist change (Boohene & Williams, 2012). "Resistance to change is often used in management literature as an inevitable consequence of organisational change initiatives and listed among the most important inertial forces against any transformation" (Carnall, 1990). Since the future is often uncertain in terms of change, people are generally not motivated to change unless there are strong reasons for making changes (Bouckenooghe et al., 2009, p. 41) (cited in Michalak, 2010) and the destination in which the moving organisation is really useful to individuals and the entire organisation. Therefore, every change effort faces resistance (Michalak, 2010).

Methods for the treatment of resistance to change include: education and communication, attendance and involvement, facilitation and support, negotiation and agreement, manipulation, clear and implied obligation (Kotter & Schlesinger, 2008, p. 136). Resistance to change is an important factor that can affect success in organisational change efforts. Maurer's (1996) research (quoted in Waddell & Sohal, 1998) showed that one-half to two-thirds of all major corporations fail in attempts to change where resistance to change is a major contributor to failures. Research conducted in the UK by Oakland and Sohal (1987) (quoted in Waddell & Sohal, 1998) also found that resistance was one of the major obstacles to using production management techniques from British manufacturing managers. Similarly, Eisen et al. (1992) and Terziovski et al. (1997) (quoted in Waddell & Sohal, 1998) found in their research that resistance by management and workers was a major obstacle to using quality management practices in the Australian manufacturing industry (quoted in Waddell & Sohal, 1998). Communications related to the proposed changes should be carefully prepared and formulated so that unnecessary fears are reduced (Armstrong, 2006).

2. METHODOLOGY

The methodology used in the paper combines primary data with secondary data. The secondary data are the result of a review of contemporary literature on methods for dealing with resistance to change. Confidence level of 95 % was used in this study, given that this level was accepted in most studies. The categorical data assume a margin of error of 5% and a confidence level of 95 %. This means the sample data represent up to 95 % of the total population data. The equation for finding the acceptable sample number, according to (Yamane & Taro, 1967), is:

$$n = N/(1+Ne^2), \quad (1)$$

where

N – the number of population elements;

n – the number of elements of choice;

e – the margin of error.

A total of 328 927 businesses are involved in Kosovo.

$$n = \frac{328972}{1 + 328972(0.05)^2} = 399 \quad (2)$$

From the total population of 328 972 businesses in Kosovo, according to KBRA (2017), it results that the sample size is 399 businesses in Kosovo. This number is sufficient for the results of the study to be statistically reliable for the entire territory of Kosovo.

As a method for collecting primary data, the questionnaire was used by interviewing through direct owner contact, general manager, and manager of various departments. During the survey, 399 businesses were surveyed, of which 386 businesses were surveyed through direct contact, and due to the inability to establish direct contact with 13 businesses, the questionnaire was conducted via email. Effective sample size of study was 399. The questionnaire focused on demographic variables, resistance to change, obstacles to change management, changing techniques for use. A five-point Likert scale was used to measure the barriers to change, the struggle for change in the company, the resistance to change, the methods for dealing with change resistance. The data were analysed using descriptive statistics.

Linear regression analysis was used to predict the value of the dependent variable based on the value of at least one independent variable, explaining the effects of changing the independent variable on the dependent variable.

It shows that Y_i depends on both X_i and μ_i . Therefore, unless we are specific about how X_i and μ_i are created or generated, there is no way to make any statistical inference about the Y_i and also, as we shall see, about β_1 and β_2 . Thus, the assumptions made about the X_i variable (s) and the error term are extremely critical to the valid interpretation of the regression estimates (Gujarati, 2004). Generation of the econometric linear regression model is performed through the SPSS program. The chi-square model that the author uses is low cost, fast, practical and easy to understand, thus allowing for a lot of study evaluations.

3. RESULTS AND DISCUSSION

The linear regression model and the Pearson Chi-Square test are used to test the impact of methods for treating resistance to change. The methods used by company to handle resistance to change are shown in Table 1.

Table 1. The Methods to Handle Resistance to Change (developed by the author)

Coefficients						
Model		Non-standardised coefficients		Standardised coefficients of	<i>t</i>	Sig./ <i>p</i> -value
		B	Error Std.	Beta		
	(Constants)	1.202	0.045		26.873	0.000
1	The methods used by the company to handle resistance to change	-0.013	0.016	-0.042	-0.837	0.403
Summary of Model						
Model	<i>R</i>	' <i>R</i> Square'	Adjusted square'	Evaluation Error Std.		
1	0.042 ^a	0.002	-0.001	0.394		
a. Predictors: (Constants), What are the methods used by the company to handle resistance to change?						
b. Have the changes made by the company been successful in revenue growth, higher organisational performance, securing stable market position?						

From the data in Table 1, it is possible to conclude that the model has the form:

$$Y = 1.202 - 0.13X_2 + u_i \tag{3}$$

Independent variables for its significance are tested through the importance of hypotheses, H0 and Ha.

H0: $\beta_2 = 0$ meaning that variable X_2 is not statistically significant;

If: $\beta_2 \neq 0$ which means that variable X_2 is statistically significant.

Table 1 shows the probability that the coefficient β_2 is Sig./*p*-value = 0.403 where it means that it is greater than $p = 0.05$. This means that the hypothesis is rejected, thus indicating that the null hypothesis, which states that support as a method of resisting resistance is no more successful, then compulsion (open and hidden) is rejected.

Methods that company uses to handle resistance to change are shown in Table 2. The econometric model of ANOVA linear regression gives us the same conclusion.

Table 2. Methods Used by the Company to Handle Resistance to Change (developed by the author)

ANOVA ^a						
Model	Square amount	df	'Mean' on square	F	Sig./p-value	
1	Regression	0.109	1	0.109	0.701	0.403 ^b
	The remaining	61.641	397	0.155		
	Total	61.749	398			

a. Dependent Variable: Have the changes made by your company been successful in revenue growth, higher organisational performance, securing stable market position?

b. Predictors: (Constants), What are the methods used by the company to handle resistance to change?

Based on the results provided by the analysis presented in Table 1 where the regression significance, which is $p = 0.403$ greater than $p = 0.05$, denies the relationship between dependent variables (a. Dependent Variable: Have the changes made by the company been successful in revenue growth, higher organisational performance, securing stable market position?) and independent variables (b. Predictors: (Constant), What are the methods used by the company to handle resistance to change?) because are not significant among themselves.

Table 3 sets out variables, whereas resistance variable methods are set as independent variable, while the success of changes is set as dependent variables. Methods for the treatment of resistance to change are shown in Table 3.

Table 3. Methods for the Treatment of Resistance to Change (developed by the author)

			What methods are used by the company to handle resistance to change?					Total
			Education and communication	Support	Negotiation	Obligation (open and hidden)	Manipulation	
Have the changes made by the company been successful in revenue growth, higher organisational performance, securing stable market position?	Many	No.	75	127	55	43	35	335
		% e	18.8 %	31.8 %	13.8 %	10.8 %	8.8 %	84.0 %
		Total						
	Somewhat	No.	9	29	14	5	4	61
		% e	2.3 %	7.3 %	3.5 %	1.3 %	1.0 %	15.3 %
		Total						
	Slightly	No.	1	2	0	0	0	3
		% e	0.3 %	0.5 %	0.0 %	0.0 %	0.0 %	0.8 %
		Total						
Total		No.	85	158	69	48	39	399
		% e	21.3 %	39.6 %	17.3 %	12.0 %	9.8 %	100.0 %
		Total						

The method used most by businesses in Kosovo is the support method, 21.3 % of the interviewed businesses use the education and communication method, 12.0 % of the interviewed companies use the obligation as a method for handling resistance, while the method of manipulation is used least in dealing with resistance to change. Chi-Square Test is described in Table 4.

Table 4. Chi-Square Test (developed by the author)

	Vlera	<i>df</i>	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.563 ^a	8	0.477
Chance ratio	8.770	8	0.362
No. of valid cases	399		
a. 5 cells (33.3 %) have the expectation of no. less than 5. The minimum of no. expected is 0.29			

From the Chi-Square analysis, it is proved that there is no significant evidence between methods of addressing resistance to change and the success of changes, as the value of the Pearson Chi-Square statistical test is = 7.563, with the degree of freedom $df = 8$, that $p > 0.477$. Since the p value is greater than 0.05, this analysis does not confirm the significant linkage of the variables between them and as such is discarded.

CONCLUSION

The results of the statistical analysis show that support as a method of resisting resistance is no more successful than forcing (open and concealed) as a method used to treat resistance to change. Resistance to change is one of the main causes that drive employees to resist changes in different forms. Resistance is seen as a barrier to organisational change, negatively affecting the change process. Employees resist changes due to the fear of change in their workplace. Resistance is a reaction of the employees, but it can be an important factor in improving their work during the stages of change. It is very important to use adequate methods of handling resistance, of which the most important are communication, support, participation, negotiation or agreement, manipulation, compulsion.

Interpretation of the linear regression model shows that the variables do not have a statistically significant positive relationship between the successful changes made by the company for revenue growth, higher organisational performance, and the assurance of a stable market position by the methods used by the company for dealing with resistance to change, because some of the cases in the study have not used any method for treating resistance to change and those cases of study that have used some methods have demonstrated that the method has not been successful in terms of affecting resistance and increasing the success of the changes.

Supporting method is mostly used by businesses in Kosovo to treat resistance to change, while the method of manipulation is seldom used to handle resistance to change.

The study concludes that weak support from company management, lack of resources and planning, and lack of communication are major barriers to change.

Based on the research results, the following recommendations are given:

- It is essential to apply the support method as a change management method;
- It is necessary to achieve effective communication between employees and managers;
- It is necessary to pay special attention to the use of methods for dealing with resistance to change;
- It is required to encourage employees during the process of implementing change.

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