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Individual and Organizational Change: A Literature Review

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Introduction

Organizations are unique and unrepeatable social entities, formed by individuals, created intentionally to obtain certain objectives or goals, by human labour and the enjoyment of material resources (Delgadillo, 2003), which are characterized by a series of relationships between its components and is productive when it reaches its goals, using the resources at minimal cost (Robbins & Judge, 2009). To achieve its goals and objectives, as individuals organize processing systems to convert means or resources into goods or services. In an organization people have individual and group behavior, thus, obtain results as individual and as a group. Therefore, people need organizations to meet their needs and organizations need people to work and get results. That is why organizations must balance the needs and desires of people as individuals and groups with organizational needs and expectations. This is achieved through the coordination of individuals and groups in order to obtain the required collaboration.

Resistance to Change

Resistance to change, either individual or organizational, is a critical psychological state of employees affects the success of change initiatives undertaken by the organization, having the capacity to undermine the very serious and lead to failure of change projects driven from the direction (Stewart et al., 2009; Avey et al., 2008; Oreg, 2006; Stanley et al., 2005). In this linkage change-resistance lies precisely the particular importance of understanding the phenomenon of resistance to contemporary organizations, faced a process of continuous and permanent change to maintain its competitive position in the market (Rafferty & Jimmieson,

2010; Grunberg et al., 2008; Giangreco & Peccei, 2005) and reduce the gaps that occur between their organizational goals and outcomes (Avey et al., 2008). However, the benefits that change brings to the organization are not necessarily in line with the interests of the employees who must implement it (Holt et al., 2007) could justify the emergence of resistant behavior. However, some individuals seem to resist even to changes that are in line with their own interests (Oreg, 2003).

Thus, due to the difficulties in understanding the behavior of employees to programs of organizational change, many studies have tried to explain the psychological processes of such employees experience in these situations (Avey et al., 2008; Fuller et al., 2006; Oreg, 2006); these jobs, mostly have focused on identifying contextual variables related to the process of change itself, i.e., shared information or the level of participation allowed (Rafferty & Jimmieson, 2010; Stanley et al., 2005 , Morgan & Zeffane, 2003). These variables are of great interest because they help the individual to cope with the stress that causes change (Jones et al., 2005). Some authors have also focused on the analysis of the characteristics or personality of the employee (Avey et al., 2008; Hornung & Rousseau, 2007) and despite this difference the individual can justify the unequal inclination to accept the change (Holt et al., 2007) and still smaller is the set of works that have combined both types of variables (Holt et al., 2007, Fuller et al., 2006; Oreg, 2006; Oreg, 2003).

In an attempt to provide new evidence Holt et al (2007) emphasize the importance of the organizational context in the success of change initiatives and Van Dam et al (2008) expands the scope of previous studies combining the two resistance sources referred to above contextual structural variables related to the working environment in which the change occurs. Thus, these authors contribute to give an empirical answer revealed inconsistency in the literature of

organizational change identified by Jones et al (2005): the widely accepted premise that

organizational variables are key to understanding the processes that give rise the successful

implementation of change does not result in jobs with such organizational structural variables.

The need to incorporate the research agenda of these variables organizational level is also

highlighted by Avey et al (2008).

Based on their results, Van Dam et al (2008) suggest that future research should address

the study of new organizational context variables and exploring their ability to explain the

reactions of employees to change. These authors also highlight the importance of research into

new geographic contexts, as research on resistance to change has been clearly dominated by

empirical studies conducted in the United States. Moreover, to delve into the reasons that lead

the employee to resist change Dent & Goldberg (1999) indicate that members of the organization

are sometimes more reluctant to change themselves. The approach provided by these authors to

invite researchers to extend the research on resistance to incorporate the effect of new variables.

In this sense Oreg (2006) warns that if the premise that only the individual resists change and the

consequences of this change as a motivator of resistance remains ignored, opportunities to

understand and solve real problems organization facing a transformation process that can be

reduced.

A correct approach to the concept of resistance as a starting point requires clarification of

what is meant by change in the current investigation. Specifically, Hornung & Rousseau (2007)

based their study on structure changes, i.e. reengineering productive and administrative

processes, restructuring of employee participation systems (Grunberg et al., 2008) or new

systems remuneration in which employees must learn new ways of thinking, acting and / or

operate to achieve the defined objectives (Avey et al., 2008), discarding the decisions framed

exclusively high address might not affect employees. In this context, resistance to change should be understood as a reaction against trying to change so that employees adopt dysfunctional attitudes and behaviours (Avey et al., 2008) in order to hinder (Oreg, 2006; Stanley et al., 2005).

However, although previous literature already recognized this strong character of resistance, until the last decade, the interest does not arise to know the individual psychological processes that give rise to it (Van Dam et al., 2008). According to Stewart et al (2009), this literature examines preferably acceptance / resistance of the individual to a specific change (Holt et al., 2007; Hornung & Rousseau, 2007; Oreg, 2006), while jobs that analyse the general response of the individual to change, regardless of the context and the exchange rate, i.e. the resistance as personality trait (Oreg, 2003). They are scarce (Stewart et al., 2009; Oreg, 2003). Moreover, the existence of different perspectives on the construct has resulted in a lack of consensus on how to define and measure the resistance (Stewart et al., 2009). The published literature distinguishes three forms of resistance: cognitive state – i.e., an opinion contrary to change; emotional state – i.e., a negative sentiment towards the change; and behaviour – i.e., an action against change. These three forms of resistance can sometimes not completely agree to the same person.

Cultural values

The organizational culture has been recognized as an antecedent of the general arrangement of the individual to change (Jones et al., 2005) or give resistance to change. However, empirically it has not identified which aspects of culture are those affecting such a response. In reviewing previous literature, there are numerous definitions of culture. Cultural values represent a reality that is socially constructed gradually over time so they are not

modifiable in the short term (Grigoruta, 2006). Thus, its structural nature makes them especially

relevant when the potential for change in an organization (Jones et al., 2005). More specifically,

this socially constructed reality brings an ideology that reflects and legitimizes the relations

within the company (Ogbor, 2001), offering ways of understanding of the organizational events,

determine the emotional responses of individuals (Aarons & Sawitzky, 2006) and adopting

behaviours of particular relevance to the three-dimensional conception of resistance.

Thus, cultural values, setting the ideology and individual work context can condition their

reactions to the proposed change by management. Moreover, the resistance to change depends on

that reality socially constructed and more particularly, the way in which employees perceive

(Jones et al., 2005). Under this view, resistance is not an exclusively personal phenomenon, as

some research seems to reveal; instead, it can be a systemic, social and ideological phenomenon

(Young, 2000), based on the cultural values of the organization. In practical terms, when the

change is part of the daily routine of an organization, providing content to certain values, it is

likely that the individual's perception of these values determine their positive response in terms

of thought, feeling and action towards initiatives exchange.

Change Management

Change management should be understood as a process in which managers create the

contextual conditions for employees to accept the proposed changes (Van Dam et al., 2008; Holt

et al., 2007; Oreg, 2006) highlighting in this process the relative benefits of change (Holt et al.,

2007; Hornung & Rousseau, 2007) and the degree of employee involvement (Giangreco &

Peccei, 2005). Wanberg & Banas (2000) believe that these background variables define the

specific context of change and argue that they are potentially more malleable or reactive efforts

to organizational intervention. In relation to the relative benefits, Giangreco & Peccei (2005)

argue that they are also related to the content of the change, since the impact of change may vary

depending on the nature of this.

Employee involvement

The implication is a combination of organizational processes that increase the power of

employees and align the interests of those with the objectives of the organization. Such

involvement can be articulated through practices such as the provision of timely and accurate

information (Morgan & Zeffane, 2003; Wanberg & Banas, 2000) and / or through opportunities

participation in the planning and implementation of change (Van Dam et al., 2008; Morgan &

Zeffane, 2003) which can have a positive impact not only on employees considered individually

but also in teams involved in the change (Rafferty & Jimmieson, 2010).

While both mechanisms are often analysed as constructs differentiated by some

researchers (Rafferty & Jimmieson, 2010), others view them as indicators of the level of

involvement allowed in the change (Fenton-O'Creevy, 2001). According to Frahm & Brown

(2007), communication has usually been analysed in literature from an instrumental approach,

which reflects the manager using it to make the change following the theoretical transmission

scheme and analysing formal communication through communiqués, memoranda, etc.; however,

it is common business practice in the use of communication as a two-way process, a dialogue in

which management informs employees to contribute ideas and jointly building the constructivist

change -approach (Frahm & Brown, 2007) for the concepts of communication and participation

and integrated approach. Bordia et al (2004) indicate that communication processes include not

only the announcement of the change to employees, but also the collection of information

emanating from them. Employees participation in the context of a process of change requires the employee is notified in advance so that they can effectively provide input and Fenton-O'Creevy (2001) notes that this including participation requires disclosure of confidential information, establishing again participatory communication connection.

The benefits received by employees

The literature on organizational change supports the notion that employee resistance is usually higher when they fear that the change will cause undesirable results (Hornung & Rousseau, 2007; Giangreco & Peccei, 2005). It is the gap between the interests of management and employees, or the idea that the change will bring damage, among other factors, leading to a situation where employees value change worse than managers and, therefore, resist it. In these contexts, people resist change and try to maintain their status quo because they feel their safety, habits or threatened status.

Research on resistance change and, more specifically, it has focused on anticipated results or different effects such as loss of power position (Oreg, 2006), safety in the workplace or the intrinsic rewards (Oreg, 2006), demonstrating its impact on the reactions of individuals. However, the results of change do not affect all employees equally and thereby recognizing that there are conflicts of interest in the processes of change. Therefore, it is expected that if the employee provides results that benefit them, their reaction to change in terms of thinking, feeling and behaviour, be in line with the interests of managers.

Employees Self-Esteem

Researchers studying self-esteem have perceived that global measures have limited explanatory power when used to explain specific behaviours in the organizational stage (Naus et

al., 2007), as has been identified for other attributes of the personality of the individual. As a result, the organizational literature has judged suitable development constructs that refer to specific working environment, as adapted constructs allow greater contextualization of items and easy connection of the personality traits of the individual with its effects on the environment the management. Self-esteem at work reflects the individual's perception of their own value in the organization. Therefore, this attribute of personality is the result of a self-assessment that the individual makes of himself in terms of their positive or negative value to the organization.

Self-esteem is, therefore, a key quality that distinguishes one individual from others and which determines the ease with which these face and adapt to stressful situations throughout their lives. When individuals have high self-esteem, work, develop and maintain a more favourable activity in the business attitude and a behavior that testify to this, since such attitudes and behaviours are consistent with the perception that keep on their individual level of competition. That is, when the individual understands that is important in organization, he tries to commit valuable for the same activities so that it shows their individual expertise and thus reinforces their self-esteem at work, consistent approach with the assumptions made by general self-esteem. People without self-esteem at work, by contrast, tend to be passive and to avoid challenges or new responsibilities, because they do not trust their ability to solve them successfully.

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