

Resistance to Change: An inherent obstacle in concerns

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“It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change.”

- Charles Darwin

“The world hates change, yet that is the only thing that has brought progress.”

- Charles Kettering, Charles F. Kettering Foundation

Abstract

The vibrant nature of the external environment in which organizations operate, requires them to follow a proactive approach to change. The only thing that is permanent in this world is change and we should make change a part of our life. Change is inevitable in business world and the survival of concerns depend on their ability to adapt as per requirements of change. Therefore, it is essential for them to predict change and prepare themselves for it. This, on the part of managers, demands to undertake programs which are associated with change. Organization change requires lots of planning before the stage of implementation. Change is often met with resistance from employees as well as from organization. It becomes the responsibility of the management to take initiatives in order to overcome such resistance to change and implement change successfully.

The present paper attempts to depict the forces that necessitate change, fundamental reasons why people and organizations resist change and the possible measures to manage resistance to change.

Keywords: Market niche, sunk cost, resistance, obsolescence, demographic shifts

Introduction

Change in simple words refers to the act of making or doing something different. According to Curtis W. Cook, Phillip L. Hunsaker and Robert E. Coffey “It is a coping process of moving from the current state to desired state that the individuals, groups and organizations undertake in response to dynamic internal and external factors.”

Changes are constantly taking place in the environment of organizations. The world is getting smaller and trade and transactions can now be completed in just a few fractions of seconds across the globe. It is not merely the technological environment that is changing; the economic, political, social, legal and labour market environments are also undergoing changes all the time

Organizations have realized that change is significant not only to compete, but to survive also. But change is always uncomfortable and requires new ways of perceiving, thinking and doing. The first step in leading and managing change involves understanding the forces that are driving change.

The Forces Driving Change

In the first law of motion, Sir Issac Newton suggested that, “an object at rest tends to remain at rest and an object in motion tends to continue in motion in a straight line, unless acted upon by an outside force.” This principle suggests that any physical object naturally tends to resist change unless and until pressure is exerted upon that object by force.

Although Newton’s law states the movement of physical objects in space, this principle also applies equally well to organizations.

Understanding and addressing the tension between equilibrium or status quo and the forces that are driving change in organizations are central ingredients in leading and managing change.

The forces that put pressure on the organizations to change and move in a new direction can broadly be classified as internal and external forces.

A. External Forces

- Economy
- Market Niche
- Government Policies
- Competition
- Technological change
- Changing requirements of customers
- Globalization
- Demographic shifts
- Human/Social needs and values

B. Internal Forces

- Change in leadership
- Changing employee expectations
- Change in the work climate
- Organizational life cycle
- For meeting crisis
- Employee Dissatisfaction
- New ideas

A. External Forces: Every successful organization, to remain successful, pays careful attention to the factors and forces that put pressure on it from outside. Some of the most common external reasons of organizational change are as follows:

1. *Economy:* The rise and fall of the economy affects the success and failure of most organizations to a great extent. When the national or local economy is booming and customers are buying, the organization might think of expanding the business or take advantage of its cash reserves or extend a line of credit to branch out in new directions, take on new customers, build new facilities or develop new products.

In contrast, economic downturns can profoundly change customers' buying patterns i.e stringency on the part of customers during the purchase of products, which, in turn, may compel the organization to pull back on its commitments, product lines, staffing levels, and capital improvements or to close some or all of its operations. If an economy worsens, banks may be less willing to underwrite expansion plans or sustain a business struggling with cash-flow problems.

2. *Market Niche*: Each company has to constantly ask itself if it is still a player in the market or has lost its position. Change in the preferences of customers, globalization, mergers and acquisitions will continue to pose challenge to the niche of every organization. In today's world, where internet has enabled all the organizations to reach customers anywhere in the world, preserving market niche has become one of the greatest challenges facing organizations.

3. *Government Policies*: Changes in the government rules and regulations necessitate changes in organizations. For example, changes in laws regarding control of air pollution or dumping of chemical wastes and economical changes such as inflation rate – all constitute sources of change for the organizations.

4. *Competition*: Competitions can influence a change in the organization by the price structure and product lines. Price wars in airline fares have driven many airlines out of business.

5. *Technological change*: Technological innovations bring about profound change because they are not just changes in the way the work is performed. It also brings in changes in work relationship and organizational structure. For example, change in communication technology, i.e. cable network, dish antenna etc. has compelled the Doordarshan to restructure itself by segmenting its services.

6. *Changing requirements of customers*: Customers have been known to change their loyalty for better quality product and services. Accordingly, organizations must remain dynamic and be able to change quickly to adjust to changed environment.

7. *Globalization*: Globalization has made organizations to rethink the boundaries of their markets and to encourage their employees to think globally. Globalization forces the organizations to bring structural changes.

8. *Demographic shifts*: The aging population, expanding population of ethnic minorities, retiring baby boomers and an emerging next generation are the important drivers of change. Demographic changes define both the workforce of tomorrow and the consumer of tomorrow. Companies that don't pay attention to these shifts or fail to prepare themselves adequately for them will notice a decline in their productivity and profitability but those which anticipate and respond to these changes will gain noteworthy competitive advantage.

9. *Human/Social needs and values*: With the passage of time, there has been a tremendous shift in needs, expectations, core beliefs and values of people towards work, organization, colleagues, family and community. These personal attitudes lead to shift in choice of people towards products and services that they expect from businesses.

B. Internal Forces: There is other broad category of forces within the organization that may propel change. Some of them are as follows:

1. *Change in Leadership*: Leadership brings changes in culture and values in the organizations. For example, Ratan Tata has brought many changes to Tata Group of Industries after the death of J.R.D. Tata.
2. *Changing Employee Expectations*: Employee expectations can also trigger change in organizations. Expectations of young and newly hired employees are different from those of old employees.
3. *Change in the Work Climate*: Change in the work climate of an organization can stimulate change. For example, if the workforce is lethargic and dissatisfied, the

management must bring changes in work climate to make them active, satisfied and productive.

4. *Organizational Life Cycle*: An organization passes through certain stages from youth to maturity. Each stage creates new demands for adjustment for the organization and, so, acts as potent sources of organizational change.
5. *For Meeting Crisis*: A crisis may also instigate change in an organization. For example, strikes may compel employers to resort to pay cuts; the sudden death or resignation of an executive may make the organizational condition unstable and the organization is to bring changes to overcome such crisis.
6. *Employee Dissatisfaction*: Employees dissatisfaction with their workplace policies, procedures, leadership, direction, performance expectations, communication, cooperation and culture demands change.
7. *New ideas*: Generating new innovative ideas isn't the only responsibility of the leaders but organization should encourage its employees to generate new ideas, make contributions and introduce required change in the concerns.

Resistance to Change:

It's a widely accepted maxim that people naturally resist change. It is hard to believe that people embrace change when one observes the amount and intensity of resistance to nearly all change efforts.

There are many reasons why people resist change. They may be classified under the two categories:

A. Resistance by the Employees: Individual employees or association of employees generally resist change for the following reasons:

- ✚ *Fear of economic loss*: Any changes that create a feeling of fear of economic loss among employees are likely to generate resistance to

change. Change may create fear of economic loss due to the following reasons:

- Fear of lay-off or retrenchment from the job.
- Fear of reduced job opportunities due to change in technology.
- Fear of more work load due to automation.
- Fear of wage cuts or reduced incentives

✚ **Love for status quo:** The introduction of a change in doing a job may disrupt the normal routine of employees. Hence, any change that interferes with the normal work routine is generally inconvenient to the existing employees and is resisted.

✚ **Fear of uncertainties:** Employees perform their job in a normal routine. Any change may create some uncertainties in the minds of the employees. Such uncertainties may result in resistance to change.

✚ **Lack of understanding:** Some people resist change because they do not understand the nature of change. It happens due to the lack of classification or because of a gap of communication.

✚ **Bitter experience:** Past bitter experience of employees may cause resistance to change. If the earlier change had not been handled by the management efficiently and the members of the organization had a bitter experience about it, they will resist the new change.

✚ **Obsolescence:** It is state of becoming old fashioned and no longer useful. When employees feel that the introduction of new technology in place of

the old one pose a threat of replacing them, they seem to resist such a change quickly and violently.

- ✚ **Habit:** Every human being has his own habits and are hard to break. Learning a new method of performing a job becomes difficult due to the habits. Hence, most employees do resist change due to their habits
- ✚ **Economic Factors:** People resist change that threatens their safety and security.
- ✚ **Security:** Individuals may also resist change if it likely to decrease their income or sources of earnings.
- ✚ **Selective information processing:** People process information selectively to make it compatible with their perceptions.
- ✚ **Social Factors:** Individuals resist change when they anticipate that the change might affect their status in the society adversely

B. *Resistance by the Management:* Management may also resist change for many reasons. Some most common reasons are as follows:

- ✚ **Organization structure:** Sometimes, organization structure itself becomes the cause of resistance to change. Management uses certain policies, procedures, rules etc. to ensure effectiveness of its performance. Thus, existing structure may not be suitable for the change.

- ✚ **Fear of loss of power and influence:** Sometimes, change may cause loss of power or influence of some of the managers. The managers who have been using the power for personal gain often resist the change most.
- ✚ **Fear of increase in responsibility:** A change may result in increase in responsibility of managers due to which they may oppose change.
- ✚ **Resource constraints:** Generally, organizations have limited resources. Any change requiring huge investment or other resources cannot be implemented for the want of the funds and top management is bound to drop such a change plan.
- ✚ **Sunk costs:** Sometimes, management is bound to resist change because their funds have already been invested and blocked in certain fixed assets and human resources. If they introduce change, the investment cannot be optimally used. Consequently, the management has to resist the change.

In order to overcome resistance to change, organizations may adopt possible measures/tactics:

- ✚ **Education and communication:** One of the most common and simplest ways of reducing resistance to change is to educate people about benefits of change. When employees understand that change is not only inevitable but also beneficial, they will accept it more easily. Communication channels may also be improved to update employees about latest happenings in the organization.

- ✚ **Participation and involvement:** Employees should also be invited to participate in the planning and implementation of change programs. Since employees themselves are involved in the change programme, they will be committed to the decisions taken and are unlikely to resist change. Participation instills a sense of confidence in employees. Thus, involvement is likely to make them more open to change.

- ✚ **Facilitation and support:** Organizations can take help from professional change agents and psychologists to train employees in new skills as well as counsel them to overcome their fear and anxiety as a result of change program. Since resistance is generally a result of anxiety, reduction in anxiety will enable employees to accept change in a better way.

- ✚ **Negotiation and agreement:** The management negotiates with employees or their representatives in the organization by providing additional concessions (like change in work procedure or better work environment) in return for their cooperation in change program.

- ✚ **Manipulation:** Management manipulates employees' acceptance to change by distorting facts and manipulating information.

- ✚ **Co-optation:** The leaders of employee groups /union are given important roles in the change implementation program to prevent them from resisting change.

- ✚ **Coercion:** Managers may use coercive measures like threats of demotion, reduction in benefits or transfers to handle the resistance to change. Manager may force employees to accept the change by threatening them with the loss of job.

- ✚ **Capable leadership:** Capable leadership plays an important role in forming a climate of psychological support for change. He should use personal qualities to enlist the support for change.

- ✚ **Employee security:** Security during change is essential. Current earning, seniority rights, opportunities for advancement and other benefits should be safeguarded when a change is made.

- ✚ **Union support:** The management must enlist the support of the trade unions. Unions sometimes support the management in encouraging workers to accept change and may approve changes in the interest of the workers.

Conclusion

Change is inescapable and there are various forces (internal and external) that propel organizations to change. Changes in organizations are often resisted both by the employees as well as management. If changes are to be implemented successfully, the management must develop certain strategies to overcome the resistance and follow a systematically designed process of change.

If we implement change in an organizational environment that is employee-oriented, with transparent communication and a high level of trust, it may offer huge advantage. But, even in the most supportive environment, we must understand

and respond to the range of human emotions and responses that are elicited during times of intense change.

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