RELATIONSHIP BETWEEN THE RESISTANCY TO CHANGE AND PERFORMANCE. CONCLUSIONS FROM AN ORGANIZATIONAL DIAGNOSIS MODEL APPLIED WITHIN A MULTINATIONAL COMPANY IN ROMANIA

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ABSTRACT

This study aims to show a series of conclusions obtained following the carrying out of a research which consisted in the development and application of an organizational diagnosis model within a multinational company in the IT&C industry in Romania. The organizational diagnosis model applied was developed by specialists in the field of Human Resources Management which activate within the company previously mentioned. The model was composed of 14 dimensions which investigate the perception of the respondents on the: purposes and values; structure; relationships; conflicts; communication; decisions and problem solving; rewards; motivation; leadership; resistance to change; supporting mechanisms; problems regarding personnel dynamics; transparency in actions; performance. The model is based on quantitative methods of data analysis, therefore, the tool used for data gathering was the survey based on questionnaire through which we have measured the perception of the respondents on the dimensions which compose the diagnosis model, using 70 questions distributed uniformly within the 14 dimensions, measured on a Likert scale from 1 to 5 (1-total disagreement, 5-total agreement). In regards to the research sample, the statistic population analyzed is represented by the multinational company within which the diagnosis model has been elaborated and applied, respectively the statistic units questioned are represented by 776 employees involved and questioned during the diagnosis. In this study, we wish to show a couple of results obtained following the application of the diagnosis model, in this respect we aim to show the analysis of the "resistance to change" and "performance" dimensions.

KEYWORDS: *Organizational diagnosis; resistance to change; performance.*

JEL CLASSIFICATION: *M10; M12.*

1. INTRODUCTION

In the turbulent world of nowadays, the management in crisis and confusion times becomes a critical skill for the managers in all types of organizations. The skills and the solid managerial actions are key factors to support any organization to pass a crisis and to stay healthy, inspired and productive. The passing to new work ways, activities, technologies, requires supplementary requirements from the nowadays managers.

Many employees are constantly moving, they change laptops, smartphones, to keep the electronic connection with clients, team colleagues and the managers with a limited face-to-face contact. In the new world of work, the managers need a new approach based less on order and control, and more on coordination and communication (Alderfer, 2011).

The field of management is undergoing a revolution requiring managers to do more with less, to hire well prepared employees, to rather see the change than stability as being the nature of things and to inspire visions and cultural values which allow people to create a collaboration which truly makes a productive place of work.

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This approach significantly differs by a traditional set of thinking which highlights the strong control from above to below, separation and specialization of the employees and the management through measurements and impersonal analysis.

Each organization confronts during a certain period with the need to rapidly and dramatically change to survive within an environment in continuous change. Many companies from USA, Europe, and Japan admit the need for a better innovation of the products and services, in order to keep up with the technological and social progress and to compete with the stronger and stronger power of the companies in China and other countries undergoing development (Daft, 2010).

Winning consensus to understand the need for change is the first step for the implementation of change. Most of the changes will meet a certain degree of resistance. Managers and employees which are not involved into an innovation frequently seem to prefer the status quo. People oppose change for more reasons, and their understanding can help managers to implement the changes more efficiently (Daft, 2010):

- *Self-interest*. People usually oppose change because they perceive that they will lose something valuable. A change proposed in design, structure, or technology of the place of work may lead to the real or perceived loss of power, reputation, salary or other benefits. The fear of personal loss is probably the biggest obstacle in the way of the organizational change.

- *Lack of understanding and thrust*. The employees frequently do not thrust the intentions behind a change, or they do not understand the proposed purpose of a change. If the previous work relationships with the promoter of the idea of change have been negative, the resistance to change can appear.

- *Uncertainty* is the lack of information about future events. It represents a fear of unknown. The uncertainty is especially threatening for the employees having a low tolerance to change and which fear something unusual.

Factors facilitating change (Daft, 2010):

- *Communication and education* need to be used when it is needed the submit of solid information referring to change to the users and the entities which can oppose the implementation. The education is extremely important when the change implies new technical knowledges or the users are not used with the idea.

- *Participation* involves users and improves the main potential sources of resistance in projecting change. This approach takes time, but it is effective, because the users understand and become involved in the change.

- *Negotiations* represent a more formal means of performing cooperation. Negotiations are based on compromises made on formal way in order to gain the acceptance and the approval of a desired change.

- *Coercion* means for the managers to use the formal power in order to force the employees to change. It is recommended that the employees accept the change or lose their rewards or even their jobs. In most of the cases, this approach shouldn't be used, because the employees feel victims, it produces frustration and it can even sabotage changes. However, coercion can be necessary in situations of crisis, when a fast answer is urgent.

- *Involvement of top management*. The visible support of the top leadership also helps to exceed the resistance to change. Support of the top management transmits to all employees that the change is important for the organization (Daft & Marcic, 2009).

The performance management is a systematic process of improving the organizational performance by development of individual performance and team's performance. It is a way to obtain better results by understanding and managing performance within an agreed frame of planned objectives, standards and specific competences. The management of performance, as it is practiced today,

incorporates processes such as the management through objectives and assessment of performance, which were previously developed. But its general approach is significantly different. The performance management administrates the organization. „It is what the line managers usually do, it is not an yearly procedure directioned by HR. It is a natural management process" (Armstrong, 2009).

The performance management is more than individual assessment. It contributes to the performing of the culture change and it is integrated with other key activities of human resources, especially the human capital management, talent management, learning and development and the reward management. As an important part of a system of a high-performance work, it contributes to the development of more efficient work systems, which determine to a large extent the performance levels (Armstrong, 2006).

The general objective of the performance management is to establish an efficient culture where the individuals and the teams takes responsibility to constantly improve the business processes and for their own skills and contributions within a frame ensured by effective leadership. Its main purpose is people orientation to make the right things by achieving the objectives (Armstrong, 2009).

In a specific way, the performance management aims the alignment of the individual objectives with the organizational objectives and ensures that the individuals support correct corporative values. It predicts that the expectations are definite and agreed in regards to role responsibilities, skills and behaviours (Armstrong, 2006).

2. RESEARCH METHODOLOGY

This study aims to show a series of conclusions obtained following the carrying out of a research which consisted in the development and application of an organizational diagnosis model within a multinational company in the IT&C industry in Romania. The organizational diagnosis model applied was developed by the specialists in the human resources management which activates within the company above mentioned. The model has been composed of 14 dimensions which investigate the perception of the respondents:

- Goals and values.
- Structure.
- Relationships.
- Conflicts.
- Communication.
- Decisions and problem solving.
- Rewards.
- Motivation.
- Leadership.
- Resistance to change.
- Supporting mechanisms.
- Problems regarding personnel dynamics.
- Transparency in actions.
- Performance.

The model is based on quantitative methods of data analysis, therefore, the tool used in gathering data was the survey based on questionnaire through which has been measured the perception of the respondents on the dimensions composing the diagnosis model, using 70 questions uniformly distributed within the 14 dimensions, measured on a scale of Likert type, from 1 to 5 (1-total disagreement, 5-total agreement).

In regards to the research sample, the statistic population analyzed is represented by the multinational company within which the diagnosis model has been elaborated and applied, the

statistic investigated units are represented by 776 employees involved and questioned within the diagnosis.

In this study, we aim to show within the organizational diagnosis model, the "*resistance to change*" and "*performance*" dimensions.

The specific objectives we wish to show in this article are:
- analysis of the "*resistance to change*" and "*performance*" dimensions within the organizational diagnosis model;
- analysis of the existence of significant differences between the groups of the structure variable "*gender*" in regards to the averages of the dimensions analyzed;
- analysis of the connection between the "*resistance to change*" and "*performance*" variables.

Therefore, considering the specific objectives proposed, the data analysis has been carried out in the following stages:

I. *Stage 1: Analysis of "resistance to change", "performance" and "gender" variables*
   The bidirectional hypothesis tested within the first stage are:
   - *H1:* there are significant differences between the people of female gender and those of male gender in regards to resistance to change.
   - *H2:* there is a significant difference between the people of female gender and those of male gender in regards to performance.

II. *Stage 2: Analysis of the relationship between the "resistance to change" and "performance" variables*
   Within this stage, the following unidirectional hypothesis will be tested:
   - *H3:* There is a positive and strong association between the "*resistance to change*" and "*performance*" variables.

As a tool for data analysis it was used the IBM SPSS Statistics software, version 24.

3. DATA ANALYSIS

3.1. Analysis of "resistance to change", "performance" and "gender" variables
We begin by showing the information which feature the two dimensions shown within this article, quantified in statistic variables "*resistance to change*" and "*performance*" respectively, we consider relevant to show the information provided by the "*gender*" variable.

3.1.1. Analysis of the "resistance to change" variable
The variable "*resistance to change*" is an aggregated variable, composed of five items, which describe the perception of the questioned employees on the complaints in regards to the changes within the organization; the existence of a justification in regards to most of the changes occurring within the organization; the extent to which the employees have a word to say and influence the changes at work; the perception in regards to the existence of too many changes appeared during the last year; the extent to which the respondents prefer the changes within their activities.

Therefore, aggregating the scores obtained by the items which describe the above elements, the statistic variable "*resistance to change*" was obtained, which registers an average of 3.22, as we can notice in figure 1, where it is shown the histogram of the variable, where we can identify a group of answers near the values 3 and 4. In order to interpret the average of the variables, we mention that the Likert scale used, in five stages (1= total disagreement, 5 = total agreement), determines us to interpret the averages registered depending on the values of the five stages, where the theoretical average considered has value 3. Therefore, an average closer to value 1 represents a disagreement towards the dimension analyzed, respectively, an average closer to 5 indicates an agreement towards the dimensions investigated.
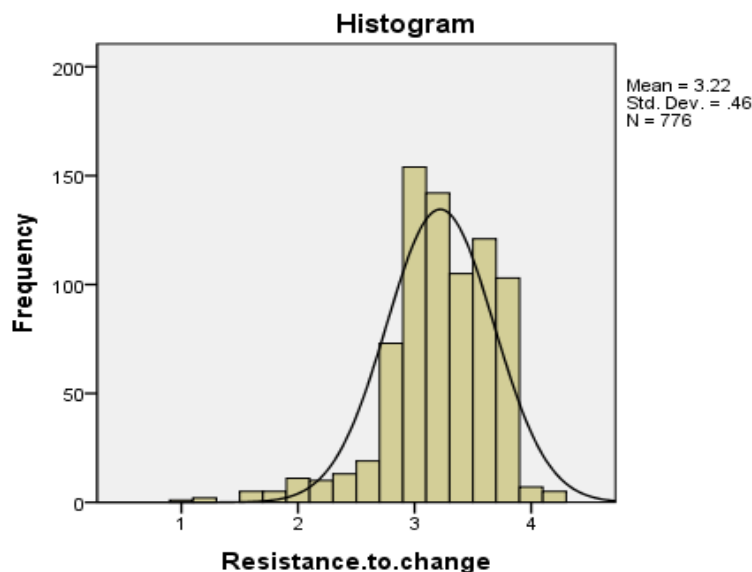
Figure 1. The variable "resistance to change"
Source: own research

In this respect, the average registered by the "*resistance to change*" variable is closer to value 3, which means that, in the perception of the employees questioned, we cannot talk about a high level of resistance to change, they perceive to a relatively good extent the way in which the realities within the organization determines them to accept and manage the changes appeared within the organization. We consider to be relevant to mention that due to market specifics, on which the company analyzed operates, as well as due to the managerial specifics, that confronts with a high volume of changes, in these conditions, the results do not indicate that the employees questioned would perceive the existence of some major difficulties, significant in accepting and managing the changes with which they are confronting within the organization.

3.1.2. The analysis of the "performance" variable
The "*performance*" variable is an aggregated variable, composed of five items which describe the perception of the questioned employees referring to: complete accountability for the results of their work; the extent to which the interest for high performance has increased during the last year; the extent to which the employees are concerned of the quality of their work; the extent to which the employees are interested to learn new things in their profession; the extent to which the objectives of the employees were achieved in the last six months.
In figure 2 we can notice the histogram of the variable, which registers an average of 4.23, a quite high average, in other words, the respondents appreciate that, the organization provides, in general, a high level of performance in regards to the results of the work, the increasing interest for high performance, concern for the quality of the work, achieving the objectives.
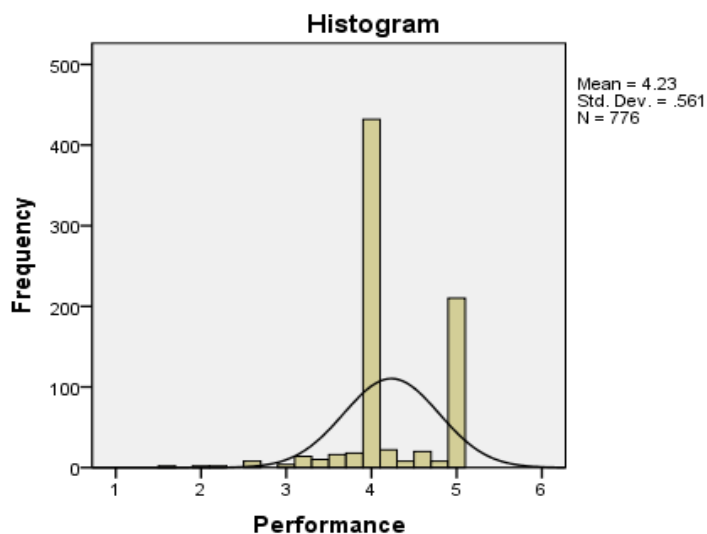
Figure 2. The variable "performance"
Source: own research

3.1.3. Analysis of the "gender" variable

In regards to "*gender*" variable, this is a structure variable which shows the distribution of the sample depending on gender, as we can notice in figure 3 and table 1. From the total of the questioned sample, 56.2% are men, respectively 43.8% of the respondents are women. Therefore, we can notice an almost equal distribution of the sample depending on gender.
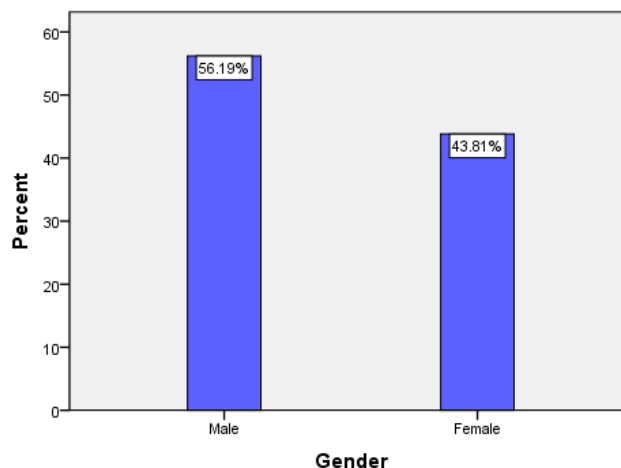
Figure 3. The variable "gender"
Source: own research

Table 1. The distribution of the sample depending on gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	436	56.2	56.2	56.2
	Female	340	43.8	43.8	100.0
	Total	776	100.0	100.0	

Source: own research

3.2. Analysis of the existence of significant differences between the groups of the "gender" variables in regards to the averages of the dimensions analyzed

We have showed the contents of the three variables with which we operate within this analysis. Because we have identified that the questioned employees tolerate relatively good the changes they are confronting with within the organization, which means that there is a certain level of resistance to change, in this step we aim to check if there are significant differences between woman and men in regards to the resistance to change. In other words, we wish to identify if, within the sample investigated, the men are more resistant to change than women. For this, we have applied the t-test for the independent samples, whose results we show in the following.

In table 2, we can notice that men within the sample register at variable "*resistance to change*" a higher average (3.49) than women (2.87). Which indicates that men tend to be more resistant to the changes within the organization investigated, than women.

Table 2. Group statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Resistance to change	Male	436	3.49	.305	.015
	Female	340	2.87	.382	.021

Source: own research

Table 3. Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Resistance to change	Equal variances assumed	2.706	.100	25.191	774	.000	.622	.025	.574	.671
	Equal variances not assumed			24.510	637.200	.000	.622	.025	.572	.672

Source: own research

We continue by checking in table 3 if there are significant statistical differences between the averages, in other words, if there are significant differences depending on gender, in regards to resistance to changes within the organization. We first read the result of the Levene test for variances homogeneity: $F_{(774)} = 2.706$, $p = 0.1 > 0.05$, which means that F test is insignificant, therefore the variances are equal, which means that we can interpret the results of t test in the case of assuming the equality of the variances (first row in table 3). We can notice that $t_{(774)} = 25.191$, $p < 0.05$, which means that there are significant differences from statistical point of view between the averages, men tending to become more resistant to the changes within the investigated

organization, than women. Therefore, this result entitles us to state that hypothesis *H1: there are significant differences between women and men in regards to resistance to change*, is confirmed.

This result is an interesting one, this is why we wish to investigate if there is a significant difference between women and men in regards to performance. In other words, our purpose is to identify if, within the investigated sample, men tend to become more performant than women, or reverse. For this, we have also applied a t test for the independent samples whose results we show in the following.

Table 4. Group statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Performance	Male	436	4.54	.472	.023
	Female	340	3.84	.394	.021

Source: own research

Table 5. Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Performance	Equal variances assumed	169.614	.000	22.097	774	.000	.702	.032	.640	.765
	Equal variances not assumed			22.588	770.243	.000	.702	.031	.641	.764

Source: own research

Therefore, we notice in table 4 that men within the sample register at "*performance*" variable a higher average (4.54) towards women (3.84). Which indicates that men tend to become more performant than women.

We continue by checking in table 5 if there are statistic significant differences between the averages, in other words, if there are significant differences depending on the compared groups of "*gender*" variable in regards to performance. Levene test of variances homogeneity: $F_{(774)} = 169.614$, $p < 0.05$, which means that F test is this time statistically significant, therefore the condition of the variances homogeneity is not assumed, which means that we need to interpret the results of t test in the case of non-assuming the equality of the variances (second row in table 5). We can notice that $t_{(770.243)} = 22.588$, $p < 0.05$, which means that there are significant differences from statistical point of view between the averages, so men tend to become more performant than women. Therefore, this result entitles us to state that the hypothesis *H2: there is a significant difference between women and men in regards to performance*, is confirmed.

As a conclusion, we have identified that men tend to become more resistant to the changes within the investigated organization than women, respectively men tend to become more performant than

women. These results could be interpreted through the fact that, at the level of the investigated sample, the people which are more skeptic towards the changes within the organization, tend to become more performant, which can be formulated reversely: the more performant people tend to be more skeptic with the changes within the organization. In other words, at the level of the investigated sample, the people which are more performant, tend to be more resistant to the organizational changes. This result can be explained from behavioral perspective, because individuals in general, tend to keep the status quo, which means the resistance to change, respectively, once a certain level of performance reached out, the individual tends to maintain constant the conditions in which it reached out to that level of performance.

3.3. Analysis of the relationship between the "resistance to change" and "performance" variables

Considering the results obtained in the previous stage, we suppose that it should exist a certain relationship between the variables presented in this study, "*resistance to change*" and "*performance*".

We wish to check further if there is a correlation, or differently said, if there is a linear relationship between the studied variables. Before calculating a correlation coefficient, we need to check if the following conditions are fulfilled: (1) if the variables are quantitative, (2) if they are normally distributed, respectively (3) if the relationship between the variables is linear.

The first condition is fulfilled and the condition of the normality distribution is checked by Kolmogorov-Zmirnov test which can be noticed in table 6, where for variable "*performance*" K-S z = 0.316, p < 0.05, and for variable "*resistance to change*" K-S z = 0.137, p < 0.05, which means that for both variables the Kolmogorov-Smirnov test is statistically significant, this result meaning that the distribution of the variables on sample, significantly differs from a normal distribution and, therefore, the analyzed variables are not normally distributed.

This result indicates that, in order to measure the relationship between the analyzed variables, we need to use the Spearman correlation coefficient, which is suitable when the variables are quantitative, but they are not normally distributed.

Table 6. Test of normality

One-Sample Kolmogorov-Smirnov Test		Performance	Resistance to change
N		776	776
Normal Parameters[a,b]	Mean	4,23	3,22
	Std. Deviation	,561	,460
Most Extreme Differences	Absolute	,316	,137
	Positive	,316	,088
	Negative	-,241	-,137
Test Statistic		,316	,137
Asymp. Sig. (2-tailed)		,000[c]	,000[c]
a. Test distribution is Normal.			
b. Calculated from data.			
c. Lilliefors Significance Correction.			

Source: own research

Therefore, we analyse the existence of a relationship, a correlation between the analyzed variables with the support of the Spearman correlation coefficient (table 7). From table 7 we notice that there is a positive and significant correlation between "*performance*" and "*resistance to change*", p (776)

$= 0.651$, $p < 0.001$, which means that the investigated employees which tend to obtain high scores at variable "*performance*", tend to obtain high scores also at variable "*resistance to change*".

Table 7. Correlation table

			Performance	Resistance to change
Spearman's rho	Performance	Correlation Coefficient	1,000	,651[**]
		Sig. (2-tailed)	.	,000
		N	776	776
	Resistance to change	Correlation Coefficient	,651[**]	1,000
		Sig. (2-tailed)	,000	.
		N	776	776
**. Correlation is significant at the 0.01 level (2-tailed).				

Source: own research

In other words, we can state that the employees which tend to have a higher performance, tend to be more resistant to change, result that we have assumed at the end of the first stage, following the t test results on independent samples. Therefore, following the results obtained, we state that the hypothesis *H3: There is a positive and strong association between variables "resistance to change" and "performance"*, is confirmed.

4. CONCLUSIONS

This study aimed to show a series of conclusions obtained during a research which consisted in development and application of an organizational diagnosis model within a multinational company in the IT&C industry in Romania. The organizational diagnosis model applied was developed by specialists in the human resources management which activate within the company mentioned above.

The model was composed of 14 dimensions which investigate the perception of the respondents in regards to: goals and values; structure; relationships; conflicts; communication; decisions and problem solving; rewards; motivation; leadership; resistance to change; supporting mechanisms; problems regarding personnel dynamics; transparency in actions; performance. The model is based on quantitative methods of data analysis, therefore, the tool used in gathering data was the survey based on questionnaire through which we have measured the perception of the respondents on the dimensions which compose the diagnosis model, using 70 questions uniformly distributed within the 14 dimensions, measured on a scale of Likert type, from 1 to 5 (1-total disagreement, 5-total agreement).

In regards to the research sample, the statistic population analyzed is represented by the multinational company within which the diagnosis model has been elaborated and applied, respectively the statistic units investigated are represented by 776 employees involved and questioned during the diagnosis. In this study, we aim to show within the organizational diagnosis model, the dimensions "*resistance to change*" and "*performance*".

The hypothesis presented and tested within this study were:
- *H1:* there are significant differences between the people of female gender and those of male gender in regards to resistance to change.

- *H2:* there is a significant difference between the people of female gender and those of male gender in regards to performance.
- *H3:* there is a positive and strong association between the "*resistance to change*" and "*performance*" variables.

Among the main results presented within this study, we mention that, analysis of the variable "*resistance to change*" shows that, in the perception of the employees investigated, we cannot talk about a high level of resistance to change, the employees tolerate relatively well the changes they are confronting within the organization, respectively they perceive to a relatively good extent the way in which the realities within the organization determines them to accept and manage the changes appeared within the organization.

Analysis of variable "*performance*" indicates that the perception of the employees referring to the organizational performance is a very good one, in other words, the respondents appreciate that the organization provides, in general, a high level of performance in regards to work results, the increasing interest for high performance, concern for quality of work, achieving the objectives.

We have identified that men tend to become more resistant to the changes within the investigated organization than women, respectively men tend to become more performant than women. These results could be interpreted through the fact that, at the level of the investigated sample, the people which are more performant, tend to be more resistant to the organizational changes. This result can be explained from behavioral perspective, because individuals in general, tend to keep the status quo, which means the resistance to change, respectively, once a certain level of performance reached out, the individual tends to maintain constant the conditions in which it reached out to that level of performance.

The Spearman correlation coefficient shows that there is a positive and significant correlation between "*performance*" and "*resistance to change*" therefore, we can state that the employees which tend to have a higher performance, will tend to be more resistant to change.

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