The importance of implementing changes in organizations

HALIT KARAXHA
Department of Management and Informatics
University of Prishtina "Hasan Prishtina"
Agim Ramadani Str. p.n., 10000, Prishtina
KOSOVO
e-mail: halitkaraxhaekonomik@gmail.com

Abstract: - This paper presented the process of implementing the changes, paying particular attention to issues related to the implementation of the change strategies. The implementation of change strategies requires changes to the organizational structure, but above all the changes in approaches to employees, the changes require innovation, the organization's creativity in implementing the changes. Also in this study, it was analyzed the importance of the plans being clear and practical in order to be understood by the wide range of employees during the process of implementing the changes.Another issue discussed in this paper is the importance of effective communication and the role of managers and employees during the process of implementing the changes. The data were collected through direct surveys by interviewing the owner, manager, general manager, and manager of various departments within the organization. Submission of the data was done through the SPSS 20 program, while data analysis was done using descriptive analysis and bivariate analysis (Chi-Square Test, Cross-Tables).At the end of the paper conclusions and recommendations are given based on the results of the study.

Key-Words: - managing changes, implementing changes, employees, effective communication

1 Introduction

Greater importance is usually devoted to the process of formulating change strategies, on the other hand, little attention is paid to the process of implementing change, for this study highlights the importance of implementing changes in increasing the effectiveness of change. The importance of implementing the changes is emphasized by financial analysts who emphasize the relationship between the organization's strategy and its intangible assets [6]. Strategic management consists in making decisions about future directions of operations and implementing these decisions, according to two strategic management phases: the phase of planning the changes strategy and the implementation phase of the change strategies [10]. Organizations remain competitive in the markets when they support and implement ongoing and transformational changes [13]. Organizational changes have been the cause of the study by many researchers, most of whom wanted to explain the basics of change management, how the changes are managed, and why it is so difficult to achieve change, and despite multiple theories and models, organizational managers do not have the necessary skills to successfully implement the changes [3]. Resistance by change agents themselves can significantly contribute to the organization's failure to achieve change targets [19]. Organizational changes in their sense include consideration of changing species within the organization, and regardless of the size changes every change has an effect on the firm [24]. Managers or agents of change are very important to identify converging an appropriate change theory or model to provide a framework for implementation, management and evaluation of change [26]. Before planning the change process, managers must first test their skills and weaknesses, as this may have an impact on the outcome of a change project [25].

Change is one of the most fearsome but necessary processes in any change organization creating ambiguity and generating fear for failure, but without change, failure is safe [5].

2 Literature review

2.1 Implementing Changes

The last step to be managed in the process of change is to implement the changes. Companies around the world are investing heavily in changes and new projects, but many companies are not happy with the

results of the changes. One disappointment for managers is that employees often resist changes. In order to effectively manage the implementation process, managers need to know why people resist change and use different techniques for collaborating with employees [16]. The process of change will develop better with the help of change agents who are credible, internal or external - people who facilitate change by providing advice and support for the introduction and management. There are frequent assumptions that only people from outside the organization can assume the role of change agent because they are independent.These assumptions can bebeneficial, but people from within the firm who are respectable and trustworthy [4].

2.2 Managing change as a tool for implementing strategies

The strategy implementation management process should result in filling the gap between strategy formulation and its implementation. A gap between these processes is related to the use of traditional management systems and the presence of four specific barriers to the implementation of the strategies: 1. the mission and the strategy are unrealizable, 2. the specific goals, 3. the cartels and the employees are not related to the strategy, 4. The resource allocation mechanisms are not related to the strategy, Feedback has an operational (tactical) character, and not strategic character [23]. Participants in a project are of key importance to the success of managing change in the information system development and project implementation. The role of individuals in project implementation is very important. It is essential for all project participants that the scope of their work includes the tasks they need to do. Otherwise, they will try to do whatever they consider appropriate, but may not end their duties. Project participants include : Project Managers, Project Sponsors, Team Members, Change Control Board [12]. A traditional view of mid-level managers has a leading role in implementing the strategy, mandated from the top down. However, the most modern definitions of mid-level managers are seen as the main actors in the process of strategy formation and its evolution during implementation. This development is part of a changed perception of the strategy process. The strategic process was perceived as planning, running, organizing and controlling organizational strategies [22].

2.3 The role of managers in implementing the changes

Change is defined as an effort that consists of actual physical changes in the operations and stimulate emotional changes [7] is painful in the workplace, ranging from what is safe and familiar to make changes. Employees lose their comfort, sense of competence, status and financial security, and this makes them resist the changes. Employees need to be constantly aware of the proposed changes because employees are the ones who make the changes happen.   Managers, on the other hand, need to recognize ongoing feedback and interact with employees as well as applying such a concept of dynamic stability where this helps an organization move forward for a successful outcome in implementing change [11]. When proposing a change in the work environment, employees perceive it as a threat to their work. This perception of a threat provokes an internal disequilibrium that often causes some immediate reactions to restore the previous state of balance [12]. So, change management involves understanding the organizational context, and the ability to act and mobilize resources to promote change. Moreover, rapid changes produce a rapid, almost always traumatic effect, resulting in a high resistance [9]. The role of managers in implementing change is in organizing employees and sharing tasks related to the implementation of change [12]. A leader means someone who has the authority or the power to organize and control a group of people for a particular task or purpose. The leader has a clear vision for the welfare of the organization and its organizational development. Leadership is the quality of the leader with whom he leads his team or group. For an effective change, studies show that charismatic leadership and trust in senior management are very important and are strongly related to change in behavioral implementation, monitoring, management level, and the relationship between the department [1]. Managers are very important for change. The spirit, skills, values, and managerial skills of managers are all important aspects in the ability to guide others to embrace change. The leader who makes changes to a firm is often subject to rough thinking. This is the behavior of the leaders making the most effective change situations [12].

2.4 Implementation of changes in public sector organizations

Public sector changes are easier than those in the private sector. Private sector changes can be as complex, geographically different. The unique thing about the public sector is that the change occurs in a "fish bowl" and change agents are neither "big or aggressive fish in the bowl". Change is not just an exercise to persuade employees to change; it is an exercise with negotiation and compromise [14]. Public Management Literature contains evidence of the importance of determining the need for change by communicating through a continuous exchange process between as many actors and participants as possible [18]. The size and power of the informal organization may change dramatically in public sector organizations. Police forces, military organizations and churches are examples of agencies where informal organization and its core values and norms will form the organization and the way it carries out its mission. The difficulty of change in such organizations was illustrated when the Canadian Navy was told to change the color of their blue uniforms, which was the traditional color of the Navy for dark green. In the hearts of Navy personnel, there was a high resistance to change. Navy personnel never gave up on their desire to wear blue-colored uniforms, which are also colored by the rest of the world. When the opportunity to change back to blue has occurred, it developed with dazzling speed and enthusiasm [18]. Denhardt and Denhardt, [19] describe how local government managers have verified the need for change through "listening and learning" and then communicating these needs in order to build support for change. Changes that are in line with organizational culture can be enthusiastically accepted and implemented quickly. Military organizations can quickly adapt to a wide variety of challenges from combating forest fires, fighting in various wars. The change in direction is quick and dramatic and is reinforced by organizational culture. Indeed, this is the force of culture that makes this kind of change and made it possible to be quick. On the other hand, changes that threaten culture are extremely difficult to implement [14]. For example, Kemp, Funk, and Eadie, [18] concluded that successful implementation of new programs depends on senior management ability to disseminate information about changing and persuading employees to the urgency of change. The role of leadership is generally seen as essential when implementing organizational change [9, 20, 21]. Attention is often focused on senior management or the leading change coalition [21, 18]. Moreover, senior management support is very important for change initiatives [3]. While the role of senior management is often highlighted during the start of change, where direct supervisors play an important role in implementing change [2, 27, 17]. Public organizations operate in a relatively complex environment, characterized by a number of stakeholders with vague ideas and often with contradictory objectives with a high level of scrutiny and dependence on external political influences. The organizational change processes in the public sector, because of the complex, have a chaotic character. Public organizations are often described as relatively bureaucratic [18, 8]. While some recent studies have highlighted that centralization is a key feature of public organizations on a high degree of formalization can be seen as a definition that is characteristic of bureaucracy[8, 30, 25]. When public organization operations are to a large extent based on rules and procedures, there is little need for transformative behavior where leadership is intended to create trust in others, values and attitudes of employees [28].

3 Methodology and findings

After the review of the literature, a standardized questionnaire was drafted. The compilation of the questionnaire started after clearly defining the objectives of the work and the research of the existing literature. After compiling the final questionnaire, start collecting the data, the data was provided for direct interviews, polling 399 businesses, out of 393 only 4 interviews were conducted online. The size of the selected sample by the formula proportions (Yamane, 1967), fulfills the conditions for carrying out these analyzes.

$$n = \frac{N}{1 + N * e^2}$$

$$n = \frac{328{,}972}{1 + 328{,}972 * (0.05)^2} = 399$$

In the case of e = 5% (confidence rate = 95%)
N - the number of elements of the population
n - number of selection elements
e - the error limit

Parts of the study are three regions: Pristina, Ferizaj and Prizren. Parts of the study were sector companies: Service, Trader-Producer, Producer-

Trader. The data provided was codified and adapted in such a way that it could be analyzed through the software package for statistical analysis SPSS. Data analysis was done through bivariate analysis (Cross-Tabulations and ChiSquare Test) and descriptive analysis

4 Results and interpretation

About 96.7% of businesses interviewed have responded that their companies have clear and practical plans that are understood by all employees during the implementation of the changes, and only

3.3% of the respondents think the company has no clear and practical plans which understood by all employees during the implementation of the changes.

Table 1 Does your company have clear and practical plans that are understood by all employees during the implementation of the changes

		Frequency	Percentage	Valuable percentage	Cumulative percentage
	Yes	386	96.7	96.7	96.7
	Not	13	3.3	3.3	100.0
	Total	399	100.0	100.0	

Effective communication during the process of implementing the changes.

A good collaboration between the managers brings the company to the success of the changes. Of the respondents, 93.2% of interviewed businesses think that there is a very good cooperation between

managers and employees, 4.3% of respondents have responded that there is some cooperation between managers and employees, and only 2.0% of respondents think there is little cooperation between managers and employees.

Table 2 During the implementation of the changes, is there a good cooperation between managers and employees

		Frequency	Percentage	Valuable percentage	Cumulative percentage
	A lot	372	93.2	93.2	93.2
	To some extent	17	4.3	4.3	97.5
	Little	8	2.0	2.0	99.5
	At all	2	.5	.5	100.0

			399	100.0	100.0	
	Total		399	100.0	100.0	

Role of managers in implementing changes.

In the questioning that managers enjoy employee confidence, 92.0% of respondents have responded that managers enjoy a lot of confidence from employees, 4.0% of respondents think managers have some confidence from managers, 3.0% of respondents have responded managers enjoy little confidence from employees, and only 1.0% of the jobholders think managers do not enjoy any trust from employees.

Table 3 Do employees have a lot of support from managers when implementing changes

		Frequency	Percentage	Valuable percentage	Cumulative percentage
	A lot	367	92.0	92.0	92.0
	To some extent	16	4.0	4.0	96.0
	Little	12	3.0	3.0	99.0
	At all	4	1.0	1.0	100.0
	Total	399	100.0	100.0	

Analysis and Interpretation of Study Outcomes Related to Understanding Employee Plans When Implementing Changes. The following table shows the link between ease of understanding plans while implementing changes and transforming organizational culture. Results from Table 4 show that 96.7% of respondents have responded that their companies have clear and practical plans that are understood by all employees that help in transforming organizational culture, and only 3.3% of respondents think that their companies have no clear and practical plans that employees understand when implementing changes that do not help in transforming organizational culture.

Table 4 Understanding employee plans when implementing changes

			Understanding employee plans when implementing changes?		Total
			Po	Jo	
As a result of change, is the organizational culture transformed completely?	Yes	Nr.	292	10	302
		% e Totali	73.2%	2.5%	75.7%
	Not	Nr.	94	3	97
		% e Totali	23.6%	0.8%	24.3%
Total		Nr.	386	13	399
		% e Totali	96.7%	3.3%	100.0%

The following table of the Chi-Square test analysis shows that there is no significant evidence of ease of understanding of plans in implementing changes and transformation of organizational culture as the value of the Pearson Chi-Square statistical test is =. 011, with the degree of freedom df = 1, that p> 0.916 and since the p value is greater than 0.05 this analysis does not prove the significant linkage of the importance of the variables between them.

Table 5 : Test 'Chi-Square'

	Vlera	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.011[a]	1	.916		
Correction of continuity	.000	1	1.000		
Chance ratio	.011	1	.916		
Test Fisher's Exact				1.000	.608
No. of valid cases	399				

a. 1 cellules (25.0%) have the expectation of no. less than 5. The minimum of no. expected is 3.16.

b. Calculated only for table 2x2

5 Conclusion

Managing change can be understood as a cyclical process, as organizations will always have the need for change. Each organization regardless of its activity, the size has three organizational elements that are changed and affected by which are: technology, processes, and people. Most organizations attach great importance to strategic planning of change, while less importance is devoted to implementing change, but the results of the study emphasize the importance of implementing change in organizational change efficiency. Strategic planning is a necessity and implementation of the strategy will always be difficult and focuses on the risk of abandoning employees by organizations through resistance. The many challenges of change initiatives require a systematic approach to achieving change. Implementing the changes is very important for the organization to have implementation plans that are easily understood by the employees during the implementation of the changes, this is evidenced by the research results in the businesses interviewed in Kosovo. Research results clearly show the importance of effective communication in the organization on the effectiveness of the changes. Managers play a key role in implementing changes, so managers need to build trust in employees so employees feel encouraged and motivated and become effective part of the changes**.**

Please, follow our instructions faithfully, otherwise you have to resubmit your full paper. This will enable us to maintain uniformity in the conference proceedings as well as in the post-conference luxurious books by WSEAS Press. Thank you for your cooperation and contribution. We are looking forward to seeing you at the Conference.

References:

[1] Ajmal. S., Farooq. M. Z., Sajid. N., & Awan. S. (2003). Role of Leadership in Change Management Process. Abasyn Journal of Social Sciences Vol. 5 No. 2, page 111-124

[2] Allen, J., Jimmieson, N.L., Bordia, P. & Irmer, B.E. (2007). Uncertainty during organizational change: Managing perceptions through communication. Journal of Change Management, 7(2), 187-210.

[3] Armenakis, A. A., & Harris, S. G. (2002). Crafting a change message to create transformational readiness. Journal of Organizational Change Management, 15, 169–183

[4] Armstrong. M. (2010). Armstrong's Essential Human ResourceManagement Practice, A Guide to PeopleManagement. First edithion, Kogan Page Limited

[5] Barker, J (1986). Discovering the Future: The Business of Paradigms. Star Thrower, St. Paul, MN.

[6] Becker, B. E., Huselid, M. A., & Ulrich, D. (2002). Karta wyników zarządzania zasobami ludzkimi, Kraków: Ofi cyna Ekonomiczna

[7] Bernerth, J. (2004). Expanding our understanding of the change message. Human Resource Development Review, 3(1): 36-52.

[8] Boyne, G. A. (2002). Public and private management: What's the difference? Journal of Management Studies, 39(1), 97-122.

[9] Burke, W.W. (2002). Organization change: theory and practice. Thousand Oaks: Sage publications.

[10] Byars, L. L. (1987). Strategic Manegement. Planning and Implementation,. Concepts and Cases, New York: Haarper and Row.

[11] Cheng. J. S., &Petrovic-Lazarevic. S. (2006). Managers' Role in Implementing Organizational Change. Journal of Global Business and Technology, Volume 2, Number 1

[12] Ćirić. Z., &Raković. L. (2010). Change Management in Information System Development and Implementation Projects. Management Information Systems. Vol. 5, pp. 023-028

[13] Cohen, M. (1999). Commentary on the organizational science special issue on complexity. Organization Science, 10, 373–376.

[14] Cunningham. B., &Kempling. J. (2009). Implementing change in public sector organizations. Management Decision, Vol. 47 No. 2, pp. 330-344, Emerald Group Publishing Limited 0025-1747.

[15] Cutcliffe. J., &Bassett. C (1997). Introdudng change in nursing: tbe case of research. Journal of Nursing Management. 5.4,241-247.

[16] Daft. R. (2010). Management. Ninth edition, South-Western, Cengage Learning

[17] DeVos, G., Buelens, M. & Bouckenooghe, D. (2007). Contribution of content, context and process to understanding openness to organizational change: Two experimental simulation studies. The Journal of Social Psychology, 147(6), 607-630.

[18] Fernandez, S. & Rainey, H. G. (2006). Managing successful organizational change in the public sector: An agenda for research and practice. Public Administration Review, 66(2), 168–176.

[19] Ford, J. D., Ford, L. W., & D'Amelio, A. (2008). Resistance to change: The rest of the story. Academy of Management Review, 33(2), 362–377.

[20] Herold, D.M., Fedor, D.B., Caldwell, S. & Liu, Y. (2008). The effects of change and transformational leadership on employees' commitment to change: A multilevel study. Journal of Applied Psychology, 93(2), 346-357.

[21] Kotter, J.P. (1996). Leading change. Boston: Harvard Business School Press.

[22] Kuyvenhoven. R., &Buss. Ch. W. (2011). A normative vieë of the role of middle management in the implementation of strategic change. , Journal of Management and Marketing Research, page 1-14

[23] Markiewicz. P. (2011). Change Management in the Strategy Implementation Process. Intelektinė Ekonomika, Intellectual Economics, Vol. 5, No. 2, p. 257–267

[24] Miles, R. M. (2001). Accelerating corporate transformations by rapidly engaging all employees. Organizational Dynamics, 313–321.

[25] Pandey, S.K. & Moynihan, D.P. (2006). Bureaucratic Red Tape and Organizational Performance: Testing the Moderating Role of Culture and Political Support. In Boyne, G.A., Meier, K.J., O'Toole Jr., L.J. & Walker, R.M. (Eds.), Public Service Performance. Cambridge, England, Cambridge University Press.

[26] Pearson. A., Vaughan. B., &Fitzgerald. M (2005) Nursing Models for Practice. Third edition. Butterworth-Heinemann, Oxford.

[27] Van Dam, K., Oreg, S. & Schyns, B. (2008). Daily work contexts and resistance to organisational change: The role of leader-member exchange, development climate, and change process characteristics. Applied Psychology: An International Review, 57(2), 313-334.

[28] Voet. J., Kuipers. B., &Groeneveld. S. (2013). Implementing change in public organizations. Paper presented at the 11th Public Management Research Conference, Madison, Wisconsin, page 1-40

[29] Walker, H.C., Armenakis, A.A. & Berneth, J.B. (2007). Factors influencing organizational change efforts: An integrative investigation of change content, context, process and individual differences. Journal of Organizational Change Management, 20(6), 761- 773.

[30] Wright, B.E. & Pandey, S.K. (2010). Transformational leadership in the public sector: Does structure matter? Journal of Public Administration Research and Theory, 20, 75-89.