

# The Impact of Change Management in Organizations – a Survey of Methods and Techniques for a Successful Change

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## *Abstract*

*The change management includes the control of the change in the organization and its flexible adaptation to the constant changes. This paper issues from the idea that which desires to adapt to the external environment and especially to the progress, must accept the change and respond to them in a quick and responsible way. The approach of this paper is placed on two distinct levels of analysis. The first one summarizes a theoretical level and aims the presenting of the main elements, methods and instruments operating the organizational change. The second level is more complex, aims the practice and is represented by a case study conducted in several business organizations. Starting from the fact that organizations are, first of all, open social systems, and changes undoubtedly are made only by people, we can affirm that the human dimension regarding the change is critical, through the fact that the attitude and the action lead to the success or to the failure of the change.*

**Keywords:** change, change management, environment, organizational culture, development, methods, manager, personnel.

**JEL classification:** M12, M14, M51.

## **Introduction**

No generation from anywhere in the world, can not hope to grow by the same political, economic, social and psychological patterns as the previous generations. In a world of a constant motion and change, nothing is more stable than the change: it is an objective process that can not be ignored. It is important to predict the change, to act for the change, to drive the change process so that it will be reflected in positive results. The change management in the organization is exactly considering that fact.

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The new economy led to structural changes in the manufacturing ways, the strategic stakes, in the power relationships and those among states, governments, companies and individuals (Bibu N, Năstase M., Gligor D., 2010, p. 767).

The analyzed organizations in this paper have very clearly defined rules and regulations, but also have specific problems and frustrations.

Referring to the activity optimization problems, it is widely recognized that the penetration into the life and work of a relatively homogeneous communities of projects and ideas - no matter how legitimate, justified or natural they might be – encounters a great difficulty and resistance, often perfectly justified, where jams occur due to the fact that the people involved in the change have social inadequate representations or are in contradiction with the proposed change (Green, M., 2007, p. 83).

## **1. Objectives of the research**

The purpose of the change process refers essentially to the analysis and the assessment of the present condition and the possibilities, or of the capacity to achieve change. By default, to remove obstacles and to identify the inconsistencies or the redundancies - as a prerequisite for moving to a high-quality state - a X-ray in-depth of the socio-causal complex is required, that gives rise to the diversity of attitudes, opinions and behaviors, specific to both employees of the management level and of the operational and execution level, both within the institution and with the relationship with the stakeholders, with the society as a whole (Sharma R, 2007, p.138). The organizational analysis and the diagnostic studies, although not yet sufficiently exploited, provide significant information to that direction. The objectives of the research follow:

1. Capturing those aspects of the transformation of the organizations that influence the personnel in terms of the human factor, the professional performance and the resistance to change (conservatism);
2. Setting the roles and the responsibilities of the change agents;
3. Identifying the factors which determine the manager to plan, act, monitor and implement the change;
4. Identifying the obstacles which prevent the implementation of the change in the organizational environment;
5. Structuring the methods to combat the feeling of dissatisfaction;
6. Setting of the elements leading to a culture of change;
7. Improving the personnel attitudes and perceptions towards change;
8. Making change at all levels of the organization (managers and employees).

## **2. Research Hypotheses**

1. We assume that the change starts with the manager;
- 2 We suppose that in the change process both manager and all employees must be involved;
3. We suppose that the personnel will show resistance to the change;

4. We assume that the resistance to change is manifested stronger among the employees with seniority (over 10 years) in the system;

5. We suppose that the cultural values and the environment favor the transformation of the human resources.

### **3. Used methods and techniques**

#### **3.1. The description of the models**

In the following, we'll continue presenting the human resources change management models, which can be useful in managing change within organizations, starting on the fact that human resources are active, productive and creative; people are the engine of economic results (Bold O, 2011, p.74).

We used two questionnaires on a lot of 152 people, who are working in SMEs. Of the 152 subjects, 50 are managers and the rest are employed.

**1. Questionnaire no. 1 „Attitude toward change”.** We chose this questionnaire because of the fact that organizations are in a period of intense transformation, are a part of a comprehensive development process and must respond to the new environmental changes, restrictions, requirements and emerging opportunities. In turn, people must change; they need to acquire new knowledge, to tackle new tasks, to improve the level of competence, to change their work habits, values and attitudes toward the work mode of the organization.

Basically, there can't be a real change in the organization without a change of attitude of each individual who operates in this community. Questionnaire scales are, as follows:

- *“personnel”* scale: identify, first, the human values - improving employee motivation, improving communication, optimization of the relations between bosses and subordinates and relationships between employees, increasing personal involvement; achieving social change through intervention on the social system, on the working conditions and the degree of staff satisfaction. Due to this fact, more and more attention has been paid to the work environment, attitude toward people, urban green areas, especially because of their numerous functions, such as: maintaining the health as well as their amusement, social, aesthetic and ecological functions (Colesca S., Alpopi C., 2011, p.45).

- *“efficiency”* scale: identify the values of efficiency/ productivity (collective performance improvement, organization work more efficiently, improving service quality, better strategies to address and fulfill the tasks); achieve change by activating the related values of efficiency, organization and efficiency.

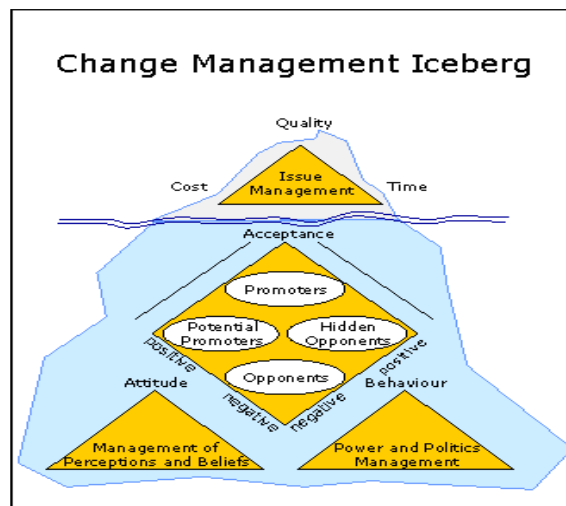
- *“conservatorism”* scale: identifies conservative opinions in favor of keeping the existing situation, the current state which is considered satisfactory and without major changes.

**2. Questionnaire no. 2 „Evaluation of the organizational culture”.** This survey points out that the responsiveness to change can not be created overnight and it is useful in demonstrating the elements that make up the organizational culture, which correspond to Iceberg Model.

Positive experiences involving numerous changes are needed before people learn to be afraid, to take risks, to break with the past and to be confident that the transformation will bring something better.

If the employees or even the managers had previously negative experiences related to how successful change has been within the organization, unfortunately, a quick solution in the next day, won't be found immediately.

The questionnaire provides some points for rapid assessment of the organization: the climate will be able to stimulate receptiveness to change? In this way, we will be able to identify warning signs and action points.



**Figure 1. Change Management Iceberg**

Source: Sărghi S., nr.1/2010

### 3.2 The analysis, processing and interpretation of results

➤ For **Questionnaire no. 1 „Attitude toward change”** revealed the following data:

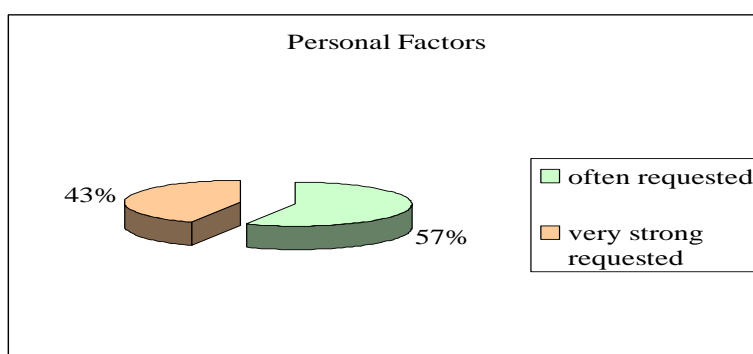
- **“personal” scale**

**Table 1. “Personal” scale**

DIMENSION					
Very highly developed/ <i>never requested</i>	Highly developed/ <i>little requested</i>	Strong enough developed/ <i>sometimes requested</i>	Poor enough developed/ <i>often requested</i>	Poor developed/ <i>very strong requested</i>	Extremly poor developed/ <i>always requested</i>
← "PERSONAL" Factor →					
1 - 1,7	1,8 - 2,3	2,4 - 4,4	4,5 - 5,6	5,7 - 6,7	6,8 - 7

It is obvious that the majority of the people were affected in some degree by the transformations which took place within the organizations. But, after analyzing the results, we found that no people were framed in the first two and the last dimension. The first two dimensions have a low score, which means these are strong developed dimensions; employees are not consider any emergencies to change; the initiatives are not a necessity or a priority for business strategy, so the result is the rejecting of these initiatives. The last dimension, which has a high score, has a poor developed dimension; the personnel believes that the action must be taken in this regard; they want measures in this direction, considering the beneficial initiatives necessary or urgent, so the result is the acceptance of the initiatives.

Nevertheless, the majority of the people obtained a score which frames them in the “often requested” and “very strong requested” dimensions. These results refer to the fact that the people questioned are open to change, they feel the need for change, they strongly believe that the transformations will determine benefits and improvement of the personnel satisfaction degree and of the workplace conditions. So, 43% of the respondents have the “personal” dimension very strong requested, while 57% of them say that the “personal” dimension is often requested.



**Figure 2. Personal Factors**

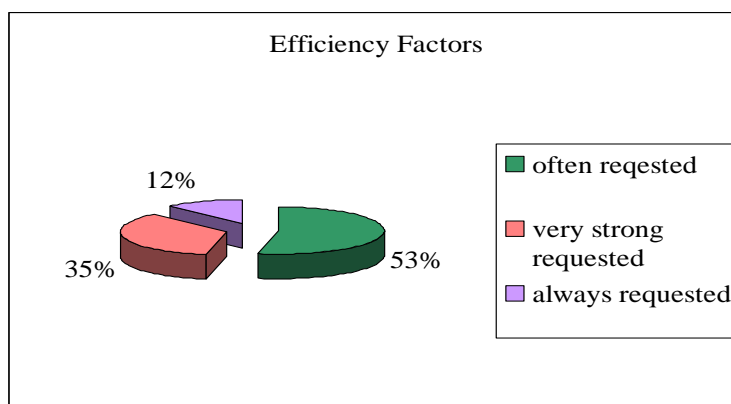
▪ “*efficiency*” scale

**Table 2. “Efficiency scale”**

DIMENSION					
Extremely strong developed/ <i>never requested</i>	Strong requested/ <i>little requested</i>	Strong enough developed/ <i>sometimes requested</i>	Poor enough requested/ <i>often requested</i>	Poor requested/ <i>very strong developed</i>	Extremely poor requested/ <i>always requested</i>
← "EFFICIENCY" Factor →					
1 - 1,8	1,9 - 2,4	2,5 - 4,1	4,2 – 6	6,1 - 6,9	7

In terms of the “efficiency” scale, after analyzing the responses, it revealed that no people were framed in the first three dimensions, concerning the efficiency requested never, little or sometimes. It is obvious that within the organizations, each employee is required to increase workplace efficiency; effectiveness evaluation of the employees and the development plans are the results of all’s work. The performance evaluation is the main activity, based on the determination of the degree to which employees of an organization effectively perform their duties and responsibilities.

Analyzing further the data, we realized that the subjects obtained an average over 4,3 points, coming under the dimensions: “often requested”, “very strong requested” and “always requested”. So, 53% from the subject came under the “often requested” dimension, trying to achieve change through actions related to organization, effectiveness, efficiency. These employees are able to give up some aspects, while others do not change. It is also obvious that with more successful experiences of transformation in the past, the change is simpler to be done and the employees are more apt to give up the past. 35% from the subjects came under 6,1 and 6,9 points, which means their dimension is “very strong requested”. And finally, 12% from the subjects came under an average of 7 points, which means that they have an “always requested” dimension, which may indicate that sometimes the need for radical changes it is felt, in order to improve individual and collective performance, more efficient organization of the work, adoption of better strategies to address and fulfill the tasks; this means to achieve change through activation of the values related to efficiency, organization and efficiency.



**Figure 3. Efficiency Factors**

▪ ***“conservatorism” scale***

**Table 3. Conservatorism Scale**

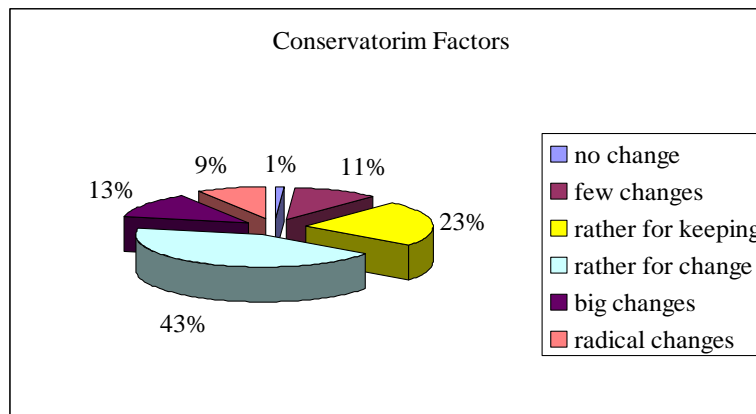
Extremely conservative/ <i>no change</i>	Conservative / <i>few changes</i>	Rather for keeping	Rather for change	Revolutionary/ <i>big changes</i>	Extreme/ <i>radical changes</i>
1 - 2,4	2,5 - 2,9	3 - 4,2	4,3 - 5,3	5,4 - 6,7	6,8 - 7

After analyzing the attitude toward change, we obtained the following results: 1% of the subjects are for “no change”, 11% for “few changes”, 23% “rather for keeping”, 43% are for “rather for change”, 13% are for “big changes” and 9% are for “radical changes”.

The lowest scores were obtained exclusively by the employees older than 10 years within organizations. They have conservative views in favor of keeping the existing situation; the current state is considered satisfactory; without major changes; they feel unable to agree or to make any changes, as insignificant they might be.

The highest scores were obtained by the people who have revolutionary opinions, favorable to change; they reject the actual unsatisfactory situations and they are for the radical changes. They are comfortable with the attitude toward change.

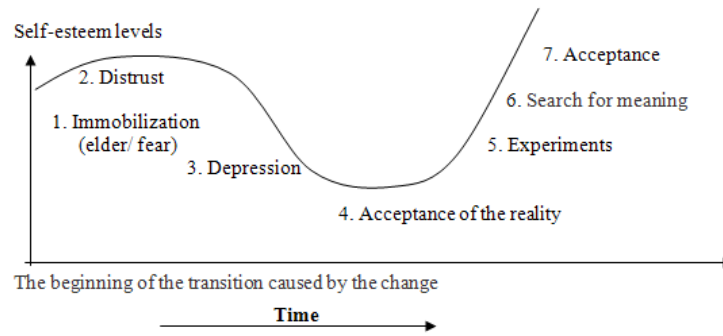
But, most of the subjects came under the 2,7 and 5,6 points. They accept that we live in a world of change and we must adapt to move forward.



**Figure 4. Conservatorism Factors**

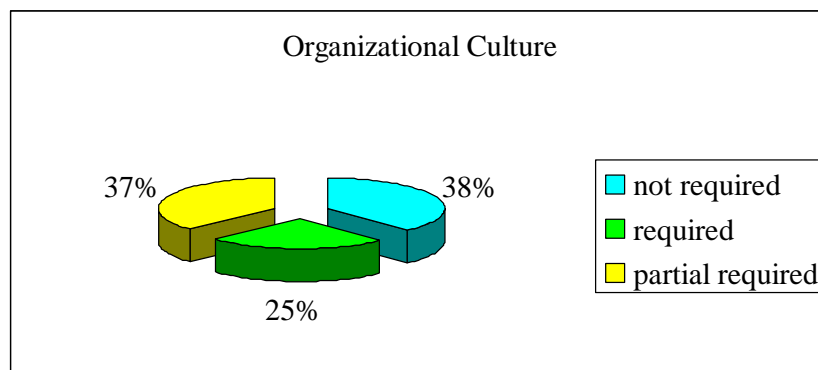
They realize that the key to successful transformation are themselves and their open attitude. The word which characterize these subjects is “adaptable”. It is difficult to separate from the past, but this attitude is necessary as a preamble change. Subjects are aware of the fact that the reality can not be ignored, so the mentality pro-change must be adapted and old ideas to be reviewed.

Comparing questionnaire results between the factors, it follows that circumstances are somewhat different. Older employees show an attitude toward change, oriented to the "personal" factor and to “efficiency” factor, perceiving also personal risk, which involves the future changes.



**Figure 5. The graph regarding the changes that self-esteem suffers**

➤ For the **Questionnaire no. 2**, named “**Evaluation of the organizational culture**” regarding any warning signs that need attention to create a culture favorable to change, the analysis of data subjects stated the following:



**Figure 6. Organizational culture**

▪ **38%** of organizations do not have alarm signals, meaning that there is already a formed culture that supports change. Responsiveness to change is created by the feeling that there is no alternative. Also an internal market is already created; it is favoring the change; the communication is open; staff involved; management succeeded in showing the benefits and opportunities change to the personnel.

These organizations are the most performant, the change is made increasingly easier and the results are visible, because lead, by efficiency, to increase productivity. In these organizations, the reality of change is obvious to everyone, because all employees are helped to establish a close relationship with the market - consumers and competitors, to establish themselves as the need for change.

Partly, the solution behind the creation of favorable culture change is the preparation, the building capacity of the staff to analyze the environment and to identify the pressures for change; on the other hand, it consists of official



communication from the upper levels of what is happening within the organization. But the real solution requires that employees at all levels to be sure to have plenty of initiatives in the mini - business, namely to establish close relationships with the customers, to be responsive, interested and motivated by a real feeling or emotional hold, that they share a part of the property.

To be a real motivator factor for change, the vision must be shared by everyone. People who take the risks of change are those who fear for their safety and self-esteem, personal identity and whose team is in a somewhat way protected.

- **25%** of organizations demonstrate serious warning signs regarding the organizational culture: the degree of uncertainty is high, the assuming of the risk is almost zero, the mistakes are highlighted more than the results, the communication channels are closed, there is not a collaboration that will lead to productivity growth results

The vision is not shared by everyone; a whole is not designed to facilitate such changes. The responsiveness, stimulating and collaborative relationship present serious deficient. Unfortunately, the positive attitude regarding the change process can not be created overnight. If we want to increase receptivity to change, the definition of "a new work" requires a considerable amount of time and effort. Creating a culture change involves promoting positive change in domestic and foreign problems and train employees in environmental realities. The companies need to involve managers in both internal and external environment (Constantinescu D., Borcoși C., Bumbeneci I, 2010, p. 7).

The best way to sensitize employees to change is to involve and achieve the maximum levels of training and education, to highlight the different attitudes and behaviors that will require future. Given that the change involves a new situation characterized by high uncertainty, it is likely that employees feel vulnerable in terms of risk taking, committing errors and can be sanctioned. As much as the employee confidence in themselves is stimulated, the more their availability to assume the risks involved in change will be bigger. The effort is to create a positive culture that will change the attitude of the type "change causes suffering" in expressing like "business is change".

- **37%** of organizations present easily resolved warning signs; even if the obstacles or weaknesses that would block the change are identified, eventually the organization adapts and transformation is done. For example, even if past successes are recorded and the staff safety is at a high level, however there is a low risk-taking, which can slow the progress of the change process. Before developing a plan for change, it is necessary to create awareness of the organization and responsiveness to change.

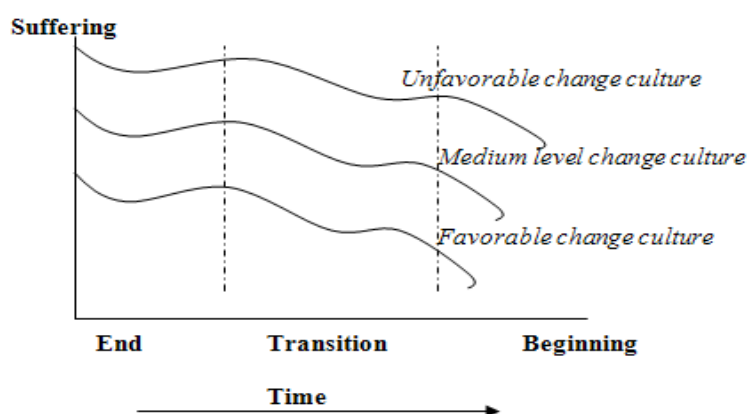
As the change must be legitimate and promoted outside, it must equally be promoted internally, to be accepted and implemented by people in the firm. It is useful to imagine that a company's internal marketing initiatives for change, where opinions must be tested to sense perceptions internally and must be identified major resistance factors.

The essence of sustainable change is to understand the organization culture that tries to be transformed. If the change which we intend to make is in contradiction with the history and traditions of the firm, its implementation will be very difficult. The culture is created through the messages of the managers, inadvertently or deliberately, convey to employees about what they think is really important. One may say that the organizational culture is the meeting point between philosophy and an organization. Moreover, culture also refers to ethics, the standards and judgments of value present in an organization (Verboncu I., Năstase I., Nicolescu O, Popa I., 2010, p. 74).

The responsiveness to change can not be created overnight. Positive experiences involving numerous changes are needed before people will learn to have a strong attitude toward change, to separate from the past habits, to give up the old mentalities and to be confident that the transformation will bring something better. But, if organizational culture had previous negative change experiences, a quick solution in the next day won't be found quickly. Creating a culture of change means that the working daily to change, and not only certain collateral activities. Before developing a plan for change, it is necessary to create awareness and responsiveness to organization toward change.

The link between organizational culture and change is becoming more evident in our times. Thus, the biggest problem is because culture is often an excuse for not acting in the direction of change. Culture takes what is common and understandable and it rises in the air and makes it untouchable (Năstase M., Hotăran I., 2011, p.662).

Given the above hypothesis, we present a graph that expresses the degree of the suffering, in the process of change. As shown, the lowest degree of suffering is appropriate to organizations with a favorable culture of change, while at the opposite end, the organizations with a tendency to open to novelty, to a high degree of suffering.



**Figure 7. The graph regarding the degree of the suffering during the process of change**

## Conclusions

We live in a world where the dynamics and importance of communication are inseparable, and the change has become more a rule than an exception.

Importantly is the moment when the change is made and who will participate on it. People should be involved in this process. They should be instructed to understand their own feelings and should be taught to perceive the organization in relation to its environment. This is done by the agent of change that is usually the manager.

Creating a culture of change means that the working daily to change and not just some side activities. Before developing a plan for change, it is necessary to create awareness and responsiveness to organization change.

Theoretical and practical research done on the basis of the assumptions made, allowed to formulate the following conclusions and proposals:

1. Organizational changes involve responses to the external challenges (of macro and micro-environment) and/ or internal ones (innovation, crises, conflicts) and aim to accommodate the organization to the development requirements of the society in general. The starting point in addressing organizational transformation is the change, as such, which regardless the place of the event, it requires a pro-active and positive attitude. The changes may condition the progress, if they are approached properly and efficiently managed.

2. The success or failure factors which influence a program of change may be different, depending on the type of the change, the actual organization, but among them are: ideas for change, willingness to make it, the availability of resources (time, money, information), action plans, incentives. All these factors can be generally summarized in technical and social factors.

3. Starting from the fact that organizations are, first of all, open social systems, and changes undoubtedly are made only by people, the human dimension of change is critical, the attitude and action leading to success or failure of a program change. People should be involved in this process. They should be instructed to understand their own feelings and should be taught to understand the organization in relation to its environment. This should be done by the agent of change that is usually the manager.

4. Organization, on the other hand, must realize that without a proper understanding of the phenomenon by those involved, the company will not reach the expected results. There will always be employees who will oppose the change. In this way, the organization is located between two forces, external forces, which require the change, and internal changes, which oppose to the change.

5. The balance between these forces determines a particular state of organization, characterized by a certain level of performance. Change production requires breaking this balance and making a good change to define problems, goals, formulate recommendations and implement solutions.

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