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Climate of Change and Success of Change in Malaysian Government Sector

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Abstract

The objective of this study is to determine the relationship between climate of change and success of change management in government sectors in Kedah, Malaysia. Thus, this study use factors of climate for change as independent variables that will contribute to the success of change management (dependent variable). Additionally, the factors of climate for change will be examined according to the four factors: personal competence, commitment, opportunities for development and growth, and respects in workplace. Based on the research objectives, the researcher established four research hypotheses. An analysis of 120 respondents revealed that climate of change has a positive and significant influence on success of change management. The findings may help managers to direct efforts toward the variables that influence employees' climate of change, which will lead to the success of the implementation process of change program.

Key Words: *Climate of Change, Success of Change Management, Management of Communication*.

Introduction

Change management is a systematic approach in dealing with change, both from the perspective of an organization and on the individual level. Harris and Field (1999) noted that employee's commitment to change is considered by many experts to be one of the most important factors involved in successful change initiative. Thus, change management must be related to the organization strategy in order to achieve goals of change in an organization. Jones (2007) indicated that the organization change is the process by which organizations move from their current state to some desired future state to increase their effectiveness. In addition, changes related to organization strategy are seen as a direction-setting framework and employees must implement the changes in order to achieve their organization's mission and vision. In the scope of

business organization, change management is seen as innovative or strategic efforts within the higher management to find new or improved strategy in utilizing new resources. It is also an opportunity to explore employees' capabilities that can be fully maximized, alluring them to excel in work and above all, creating satisfaction among level of working and eventually key stakeholders in that organization.

Unfortunately, employees often respond negatively toward changes within the organization. This is because the moment changes occur, staffs have to double their work and this is where the work pressure, sometimes increased, especially in the public sectors. Rousseau and Tijoriwala (2004) noted that the public sector environments continue to go through fundamental change. Continuous as well as episodic change is a constant feature of the modern public sector. High level positions holders like managers and professionals have to work independently than they used to and technology redefined the employee's roles and career path as well as employees' psychological response to change.

Kiefer (2005) said that a change initiative that falls short of expectations often leads to a host of negative emotions, including anxiety, confusion, frustration, fatigue, cynicism, a sense of loss, and resistance. The change efforts fail because the organizations tend to focus their attention exclusively on the organizational issues including market forces and strategies, distribution of formal organizational power, reward system and organizational structure.

According to Ostroff (1993), individual climate perceptions are distinguished by three broader climate facets: affective, cognitive, and instrumental facet. Affective refers to interpersonal relations among employees, such as participation and cooperation. The cognitive facet is concerned with peoples' involvement in work activities, such as personal growth and innovation. The instrumental facet includes climate aspects relating to rewards and organization's structure. Thus, all this employee perceptions will affect the successful of implementation organization's change management.

In the government sector, it is imperative for it to manage change in an effective and efficient manner in the pursuit of creating public value. However, most governments face both incremental and radical changes that make challenges to their employees to face with it (Armenakis & Harris: 2002). Thus, the structures, process and policies that organization implement and enforce will influence how employees think and feel about the changes. Effective management of the psychological transition of employees is integral in the achievement of successful organizational change. (St. Amour, 2001). Thus, the organization must be concerned about employees' climate for change to ensure the success of ongoing change effort. Therefore, this research focuses on fundamental changes to Malaysian society as envisaged by Vision 2020. The employee in government sectors was introduced to the new vision which is Government Transformation Programme (GTP). The government will make fundamental changes to deliver big results fast such as People First, Performance Now, and National Key Results Area (NKRA). Thus, employees should be experiencing a new sense of a being Malaysian, a higher level of prosperity and better public services. It is expected that the Government would then be smaller, more agile, and work increasingly in partnership with the private sector to provide public services efficiently (Najib Razak, 2010).

Dato' Seri Najib (2010), which is Prime Minister of Malaysia introduced Key Performance Indicator (KPI), which would be a standard on the achievement of administrative officers and civil servants. KPI is an important practice in performance management to evaluate and measure the goals set by an organization such as ministries or government agencies objectively. KPI has been adopted by many corporations and weight of the apparatus is available as a very effective job. In fact, this mechanism successfully adopted by governments in developed countries such as Britain, Australia and Canada. The purpose of introducing NKRAs and KPIs is to ensure the accountability of serious element that exists among the members of the administration and civil servants. In order to achieve this transformation programmed, the employees should be exposed to the climate of change to ensure that the targets of Vision 2020 will be achieved successfully.

Madsen, John, and Miller (2006) stated that an employee is ready to adapt to the changes only after they understand, believe, and intend to change, which they perceived importance to their need. Further, the organization must think about the subjective perceptions of employees regarding their acceptance and beyond readiness of changes of management within the organization. This study examines the relationship between climate of change and success of change among employees in government sectors. In addition, this study also determines the role of communication management on the relationship between the climate of change and success of change.

Research Framework

This study attempted to focus on changes engaging new strategy or better ways of doing things, system, practices, policies and procedures, under which all of them are mechanisms that organizations can employ when making changes. Introduce changes in organization is not an easy task. In Malaysian scenario, (Dato' Seri Najib, 2010) believed there will be setbacks along the way, including missed targets, initiatives that may not work, stakeholders who disagree, resistance from people to change and new challenges that always happen when new things will be implemented to the organization working atmosphere at a government sectors in Malaysia. Therefore, it is crucial to explore climate of change to ensure success in change initiative. The variables of climate of change to be studied are personal competence, commitment, opportunities for development and growth and respect in workplace and success of change serves as the dependent variable. Figure I shows conceptual framework of this study.

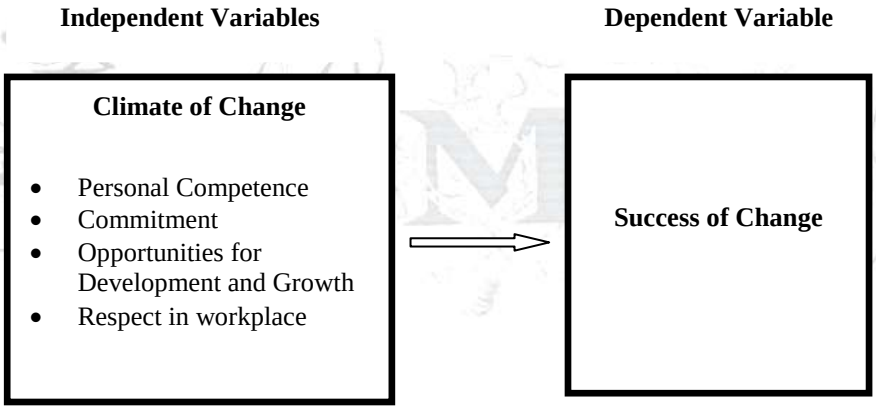

Figure I: Conceptual framework

Methodology

The type of research design used in this study is correlational study which is to answer questions about the relationship among variables or events and to examine the relationship between variables. Simple random sampling was used to select the 81 respondents our out of 270 employees which is the population of the study.

The researcher distributed 160 questionnaires to the organization to achieve the sample size estimation of 81. A total 130 of the questionnaires were collected and only 120 were usable. The rest were discarded because they were not completed and contained missing pages. The questionnaire used was adapted from past research (Spreitze; 1995, Meyer & Allen; 1997, Shearer; 2001).

Table I below shows reliability values of Cronbach's alpha for pilot test and actual test which are acceptable for use.

Table I: Value of Cornbach's Alpha

Variables	Pilot Test	Actual Test
Personal competence	0.814	0.723
Commitment	0.808	0.756
Opportunities for development and growth	0.792	0.710
Respects in the workplace	0.907	0.893
Success of change management	0.932	0.881

Findings and Discussion

To analyze the relationship between four independent variables of climate of change and job success of change management (dependent variable), Pearson Product Moment Correlation was used to identify strength of relationship. The closer the value is to -1 or +1, the stronger the association is between the variables. According to Cohen (1988) guidelines for determining whether a value of r represents a weak, moderate, or strong are r = -+ .10 to -+ .29 small (weak), r = -+ .30 to -+ .49 medium (moderate) and r = -+ .50 to -+ 1.0 large (strong). This study used Cohen (1988) measurement to determine strength of relationship between variables.

The relationship between climate of change and success of change

H1: There is a positive relationship between personal competence and the success of change.

As shown in Table II the significant correlations was observed between first climate of change which is personal competence and success of change with the moderate correlation (r = .326, $p < .01$). Devos et al. (2007) found that employees who believed that they have control over their environment and personal success were more open to the change than those who believed that their lives are controlled by external factors.

Table II: Correlation Analysis Between Climate of Change Factors and Success of Change

Variables	Success of Change
Personal Competence	.326**
Commitment	.444**
Opportunities for Development and Growth	.431**
Respect in the Workplace	.560**

** Correlation is significant at the 0.01 level (2-tailed).

H2: There is positive relationship between commitment and the success of change.

Secondly, the significant correlation between commitment and success of change (r = .444, $p < .01$) with the moderate correlation. Herscovitch and Meyer (2002) suggested that individuals with high commitment are more inclined to provide support for the change based on a belief in its inherent benefits.

H3: There is positive relationship between opportunities for development and growth and the success of change.

Next, moderate correlation between opportunities for development and growth and success of change (r = .431, $p<.01$). The success of implementing change is generally associated with those who facilitate the change process. The managers have to clarify their roles, responsibilities, structures, processes, systems, technology or other concerns when dealing with the changes as well as giving the support to their

employees in the light of improving organizational effectiveness. For example, Buchanan and Boddy (1999) list building activities, communication skills, and negotiation skills and give opportunities for their employees to grow, the opportunity to change and how to change.

H4: There is positive relationship between respect in the workplace and the success of change

In addition, this study found that there is large correlation between respect in the workplace and success of change ($r = .560$, $p < .01$). Bernerth, Armenakis, Field, and Walker (2007) found that employees are more likely to have positive evaluations of the change when they felt their leaders properly addressed their concerns.

As a conclusion (Table III), these four elements of climate of change (that consist of personal competence, commitment and opportunities for development and growth) have positive relationships with success of change management All hypotheses are accepted as shown in table 4.16 ($p<0.05$). Each element has positive impact but with different level of correlation for example personal competence has moderate correlation towards success of change compared to respect in the workplace that have strong correlation towards success of change. As cited by Armenakis and Haris (2002), change does not occur in an environment that is poisoned by a lack of respect from management.

Therefore, the success of any change initiative depends, in part, on the manager's ability to build support for the change he or she envisions. Thus, managers have to earn the respect, confidence, and trust of the employees in order to implement the change. Bernerth, Armenakis, Field, and Walker (2007) found that employees are more likely to have positive evaluations of the change when they felt their leaders properly addressed their concerns. It can, therefore, be concluded that respect in the workplace is one of the elements in climate of change that have strong correlation in this study.

Table III: Summary of Research Findings

Items	Hypotheses	Result
H1	There is positive relationship between personal competence and success of change management	Accepted ($r = .326$, $p < .05$)
H2	There is positive relationship between commitment and success of change management	Accepted ($r = .444$, $p < .05$)
H3	There is positive relationship between opportunities for development and growth and success of change management	Accepted ($r = .431$, $p < .05$)
H4	There is positive relationship between respect in the workplace and success of change management	Accepted ($r = .560$, $p < .05$)

Conclusion and Discussion

The majority of the respondents in this study understand the importance of having high climate of change towards success of implementation of change management in organization. First of all, it can be concluded that four major factors of climate of change (which is personal competence, commitment, opportunities for development and growth, and respect in the workplace) are effective factors that can determine the success of change management effort These factors of employees' climate of change affected the successes of change as proven in this study. Results also indicate that the organization itself should show more respect and pay close attention to their employees in order to gain success in change management efforts.

A key issue related to top management involvement with the acceptance for a planned change program is visibility. The employees need top management support and be committed to the change project, but it is also very important that employees see themselves as participants in the implementation process from the

very beginning (Elias, 2009). Therefore, the organization must view factors of climate of change as a primary factor to gain successes in change management.

In addition, top management should assist employees in dealing with the change and should not be taken for granted, because in order for the organization to keep survival they must be competitive as well as ready for change itself (Oreg, 2003). Thus, top management must understand the employees' climate of change to ensure that change management program runs smoothly.

Hui and Lee (2000) found that expectation of changes led employees to experience psychological uncertainty about the potential loss of current position, unemployment, role pressure, and reduction of available resources. Hence, during change, an organization must provide employees with opportunities to develop job-related skills, give them support in problem solving, and provide communication support, thus satisfying employees' needs for professionals' growth and organizational trust. To sum, the organizational change will be a success when each individual are involved in the change efforts and managers show their concerns in the change programmes.

Communication activities can be one of the variables to be studied in future research. Communication is often misinterpreted, resisted or rejected by the employees, despite strategies grounded in principles of excellent communication (Daymon, 2000). Organizations can sometimes exacerbate the impact of the crisis through poor communications. (Goodman & Hirsch, 2010). Therefore, the top management must consider other factors that will influence the success of change management positively.

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