

# EFFECTIVE MANAGING ORGANIZATIONAL CHANGES AND ATTITUDE OF EMPLOYEES TO THE CHANGE

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The world economy is changing very rapidly and mainly in the recent period characterized by uncertainty. Enterprises are now contacted with the rapid economic and technological development and also with the intensifying competition. These are the main factors for companies and management to introduce and implement organizational changes. In this context, there are many options and ways how to effectively implement the various changes and use them for business. There are also a lot of possibilities how to monitor organizational changes in companies. One of them is use the available tools and use many practice, experience and advice to managers and leaders of successful companies.

**K e y w o r d s:** organizational changes, change management, access to change

## 1 INTRODUCTION

Organizational changes are some changes inside the companies when a company makes a transition from its current state to some desired future state. Often it means radical and fundamental reorientation in the ways and options the organization operates.

There are also different types of organizational changes, which can be planned or unplanned, slow and gradual changes versus radical and fundamental changes. It is very important to know which types of changes we are doing, because it helps us for effective implementation of change and use them for companies [1,2].

Very important is also management of organizational change. Managing organizational changes is the process of planning and implementing change in organizations. Implementation organizational changes is effective for company when its managed in such a way as to minimize employee resistance and cost to the organization while simultaneously maximizing the effectiveness of the change. Change management is the process, tools and techniques to manage the people-side of business change to achieve the required business outcome, and to realize that business change effectively within the social infrastructure of the workplace [3,4].

## 2 HISTORY OF CHANGE MANAGEMENT

One of the first who implemented changes in business were students who have been learning and practicing how to make changes to the operations of a business as a mechanical system since Frederick Taylor's work in the late nineteenth century. This kind of system focuses on observable, measurable business elements which can be changed or improved, including business systems, strategy, processes and also organizational structures and job roles. Historically companies embracing this mechanical approach mainly because of serious problems encountered during implementation this system.

On the other hand, compared to a mechanical system in the past was a psychological approach. It talks about how an individual behaves and reacts to certain situations. From this period is known publication *Transitions* by William Bridges, who talks about how people adapt to change, while their work focuses on the changes in the workplace too. Extreme use one of these two approaches is unsuccessful but their synergy leads to success. Because on the one hand, it is important to successful planning and implementation of business change and performance, strategies, processes, systems and understanding what changes need to be made. However, the organization must also understand the business implications of new changes to its staff with respect to their culture, values, history and ability to change [4].

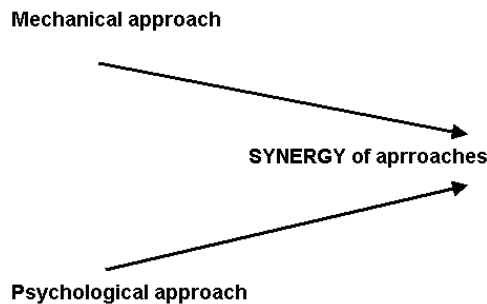


Figure 1. Synergy of mechanical and psychological approaches [4]

### 3 TECHNIQUES AND LEVELS FOR MANAGING CHANGE EFFECTIVELY

Before taking decision of essential decisions and thus the organizational changes that companies must follow the following steps:

- Levels, goals and strategies;
- Measurement system;
- Sequence of steps;
- Implementation and organizational change [5].

Within each step is very important to understand the current state of the organization, identify the problems facing the company, assign them importance and to review changes which are needed for solving the problems. An organization imagines in this stage its future status. An important part of moving to a new stage should be certain stability in the organization. In this situation it is right to draw up a plan, allocate resources, instruct a person responsible for the processes of change [3].

The success of any organizational change effort can be summed into an equation:

$$\text{Success} = \text{Measurement} * \text{Method} * \text{Control} * \text{Focused Persistence} * \text{Consensus}$$

As in any mathematical equation, and also here is multiplying the value of variables increases, and if one variable is equal to zero outcome equation is also equal to zero.

There are four levels of organizational change:

- shaping and anticipating the future,
- defining what business to be in and their “core competencies”,
- reengineering processes,
- incrementally improving processes.

#### 3.1 Shaping and anticipating the future

The first level of organizational changes refers to the assumptions of the company and what the future holds. Management in this case, assesses the strengths and weaknesses, defining alternative future mission and measurement systems.

#### 3.2 Defining what business to be in and their “core competencies”

This level begins with strategic planning the future and there to definition of SWOT analysis, that way the strengths and weaknesses, opportunities and threats of business.

#### 3.3 Reengineering processes

This level focuses on the significant structural changes daily work, which aims to improve productivity, quality, efficiency and customer satisfaction.

#### 3.3 Incrementally improving processes

At this level there is little change in existing work processes. Oftentimes organizations put in considerable effort into getting every employee focused on making these small changes, often with considerable effect.

Overall disadvantage of these approaches is that they avoid the larger, structural problems and assume that the existing processes need only slight improvements [5].

#### 4 EMPLOYEES ACCESS TO CHANGE

In implementing changes in the organization often occurs resistance to change from employees. This resistance is quite natural, because employees are accustomed to certain customary practices and habits. That is why it is necessary to effectively implement the various changes with respect to people, introduce them in various stages to be perceived positively. To minimize resistance are required mainly communication and education. Staff would be informed through discussion, notes and reports. Another important factor is the involvement of staff in implementing change, thereby minimizing stress in the organization and better informed stakeholders.

Some companies address resistance to change through negotiation and compensation. Offer their employees incentives for their cooperation. However there are some which are resorting to manipulation or to other tactics of coercion in the form of punishment. None of these methods are not appropriate in every situation, therefore it is necessary to use a combination of a known good estimate of the situation in which the organization is [3].

These situations require particularly competent leaders and managers. They must think about the five basic principles:

- Different people react differently to changes;
- Everyone has fundamental needs that have to be met;
- Change often involves a loss, and people go through the "loss curve";
- Expectations need to be managed realistically;
- Fears have to be dealt with.

Managing change within the above-mentioned principles then can not forget:

- give people the necessary information, to be honest,
- create a communication strategy to ensure effective dissemination of information,
- give people time to express their opinion,
- if the change means loss, it is necessary to find out what this loss would be replaced,
- give individuals the opportunity to express their concerns,
- is good to have excellent management practice, lead informal discussions and observations in the enterprise [6].

#### 5 CONCLUSION

Today's business environment requires companies to undergo changes almost constantly if they are to remain competitive. Factors such as globalization of markets and rapidly evolving technology force businesses to respond in order to survive. Such changes may be relatively minor or quite major, in any event, in its implementation should take into account not only benefits for the company but also its effects on employees and therefore the entire corporate culture.

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