

Determinants of Employees Readiness for Organizational Change: The Case of Awash Bank, North West Region, Ethiopia

By

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Abstract

The aim of this study is to examine the determinants of readiness for organizational change. A quantitative research approach with the aid of cross-sectional survey and explanatory research design is employed. From 21 branches of Awash bank in the north west district, 326 workers considered as a population of the study. The study took 180 respondents based on simple random sampling technique. Standardized questionnaire as a primary data gathering tool is employed to gather relevant data. After checking multiple linear regression assumptions, inferential analysis result confirmed that from the four determinants: management support, appropriateness and personal valence are predictors of employees' readiness for organizational change. However, self-efficacy variable is not a predictor on employees' readiness for organizational change. For successful implementation of any required change, the support of top decision makers is really significant. In addition to this any proposed change can be implemented successfully when it is beneficial or the priorities of the organization. To make any required change successfully and excel organizational competitiveness awareness training regarding the proposed change importance and its functions should be given for employees and the management body should also be observant of it.

Keywords: - *Appropriateness, Management Support, Personal Valence, Readiness for Change and Self-Efficacy.*

INTRODUCTION

Change in an organization usually affects employee attitudes, behaviors and beliefs because of transferring a situation from the known to the unknown. This particular situation can develop uncertainty, strain and anxiety among employees. Thus, domain experts and researchers are concerned with how to deal with employees within organizations so that they can actively accept and become involved in change program. The following authors revealed that an individual's attitudes, beliefs, behaviors and response to organizational change are influenced by employee readiness factors (Armenakis *et al.*, 1993; Bernerth, 2004; Madsen *et al.*, 2005).

Readiness is defined as a belief, intention, attitude and behavior regarding the extent to which change is needed and the organizational capacity to achieve it successfully (Armenakis *et al.*, 1993; Rafferty and Simons, 2006; Susanto, 2008). Bernerth (2004) defines that readiness is a state of mind during the change process that reflects a willingness or receptiveness to changing the way one think. Researchers believe that employee enthusiasm, willingness and receptivity is very essential for an organization to implement the desired change successfully (Eby *et al.*, 2000; Jansen, 2000; Madsen *et al.*, 2005; Rafferty and Simon, 2006). Therefore, it is essential to know how to deal with employees who are vehicles for any organizational change before, during and after launching the organizational change programs.

Studies revealed that successful organizational change rests on well motivated, inspired and committed workforce. Most of the time organizations give more attention for the technological element and neglect the people aspect, thus the most important change agent (Bovey & Hede, 2001; George & Jones, 2001). An important reason why many organizational changes make crash is because of an underestimation of the powerful role of the human factor used to galvanize in organizational change process. In order to successfully lead and accomplish an organization through major change it is important for management to take in to account both the human and technical aspects of change. Change management literature shows that employee beliefs, perceptions and

attitudes are critical in successful organizational change (Schalk *et al.*, 1998; Weber and Weber, 2001).

Many researchers have made individuals the centre of analysis for the success of organizational change (Judge *et al.*, 1999). Over the past few decades it has been observed that this is how to get employee to embrace effective and successful change programs (Armenakis *et al.*, 1993; Bernerth, 2004; Holt *et al.*, 2007; Cinite *et al.*, 2009). Many predictors like change agent role, proper process, need for change, capability of organization, participation, culture, belief, environment, and commitment have been found to be related to employee readiness (Eby *et al.*, 2000; Cunningham *et al.*, 2002; Madsen *et al.*, 2005; Rafferty and Simons, 2006). According to (Shah, N., Irani, Z., and Shah, S. 2009) these predictors can be categorized by individual, psychological, workplace, environmental, cultural and social factors. However, researcher further categorized these factors into two categories (individual and workplace factors). Desplaces (2005) have advocated that extent of certain individual and workplace characteristics may lead to the development of a positive attitude and behavior towards change readiness.

It is people who make up organizations and it is they who are the real source of, and vehicle for, change. They are the ones who will either embrace or resist change. If organization's need change in order to take hold and succeed, then organizations and the people working in them must be ready for transformation. Readiness for change is not automatic and it cannot be assumed. A failure to assess organizational and individual change readiness may result in spending significant time and energy in wrong direction. An investment in developing change readiness – at both an individual and whole-of-organizational level – can achieve a double benefit (Smith, 2005).

Problem Statement

Faghihi & Allameh (2012) contend that today's business world is in a cutthroat competition. The way to survive is to reshape to the needs of a rapidly changing world. Resistance to change is a dead-end street for organizations. Customers not only demand excellent service but demand extra benefits along with it. If organizations do not supply it, their competitors will to survive and to be successful without any problem.

Competition, policymaking and advancement in technology exist on a day-to-day basis as well as opportunities are no longer localized within a nation, region or continent, every business is now competing with competitors all over the world (Hatch and Schultz 2009). Organizations are reshaping themselves to change quickly in order to meet the needs of their customers. The organization's top leaders are facing resource scarcity, they cannot throw money at every issue in order to work effectively know they need highly committed and flexible workers. As a leader, managers need to emphasize on actions and need to make changes, as quick and smooth as possible (Faghihi & Allameh, 2012).

According to Burneth, (2004) change is an ever-present feature of organizational life both at an operational and strategic level therefore there should be no doubt regarding the importance to any organization of its ability to identify where it needs to be in the future and how to manage the changes. Levels of readiness for change are viewed as a precursor to resistance or acceptance to change. If there is readiness to change in an organization the change effort will have a higher chance to succeed. The opposite is also true. If there is a low level of readiness for change, then the success of the planned change may be diminished (Elving & Gravenhorst, 2009). Employee readiness for change is significant when associated with receptivity to change. The perception of readiness for change may predict the employee's level of receptivity to change, Cochran *et al.* (2002). Strategists should formulate, implement and sustain a fundamental change in complex organizations like banks when an organization introduces a change to the organization, it is the end of the day going to be impacting one or more of the following four parts of how the organization operates; processes systems, organizational structure and job roles (Burneth, 2004). According to (prosci, 2007) the goal of change is to improve the organization by altering how work is done while the notion of becoming more competitive or becoming closer to the customer or becoming more efficient can be the motivation to change, at some point these goals must be transformed into the specific impacts on progressive alterations in process systems orga-

nizational structures or job roles.

Readiness for change is the cognitive precursor to behavior of either resistance or support for a change effort (Elving & Gravenhorst, 2009). Readiness for change is reflected in the employee's beliefs, attitudes and intentions regarding the extent to which changes are needed and the organization's ability to successfully complete the intended change. If employees are not ready for organizational change, conflicts between organizational leaders and members may be encountered. For the desired outcome to occur, conflicts have to be resolved so that the employee's beliefs and cognitions align with those of the organization's management (Holt, Armenakis, Field & Harris, 2007). Recent literatures revealed that relationships between employee and employer can be developed on the basis of the work environment, which can stimulate the individual to utilize his or her abilities, efforts, experiences and skills. The work environment may support employees to develop commitment to the organization because employees see the possibility of accomplishing their desires, needs and future expectations. If employees achieve their desires and needs they may develop positive attitudes and behaviors towards organizational change (Naimatullah & Shah, 2010).

Previous research has largely neglected the direct link between employee readiness and supervisor and peer relations in organizational change. The relationship between supervisors and peers in the literature has been found to transform knowledge from individual to individual, groups and organizations (Peroune, 2007). Thus the level of behavior of supervisor and peers is found to be important for improvement, innovation and job satisfaction (Deal and Celloti, 1980). Previous researchers treated individual readiness for change as a multidimensional construct that distinguishes between four separate components where the weight and relevance of each of the individual readiness for change components depend on the type of change that organizations face (Haffar, Al-Karaghoul, ZahirIrani, Djebarni, and Gbadamosi, 2019). In this regard there are many predictors of individuals readiness for change, knowledge and skills, social relations in the workplace, organizational culture, management leadership relationships, ability to cope with change, ability, to solve job-related problems, social support, active versus passive job, job demands, self-efficacy, appropriateness, management support, and personal valence (Hanpachern et al., 1998; Cunningham et al., 2002; Miller et al., 2006; Holt et al., 2007).

Objective

Generally the study aimed to investigate determinants of employee readiness for organizational change in the case of Awash Bank, North West Region, Ethiopia.

Specific Objectives:

- To investigate the effect of management support on employees readiness for organizational change;
- To examine the effect of self-efficacy on employees readiness for organizational change;
- To inspect the effect of appropriateness on employees readiness for organizational change;
- To identify the effect of personal valence on employees readiness for organizational change

Literature Review

Conceptualization of readiness to change has been forwarded by various writers in the area. The most cited definition referring to people's readiness for change is from Armenakis et al. (1993). "Readiness is reflected in organizational members' beliefs, attitudes and intentions regarding the extent to which changes are needed and the organization's capacity to successfully make those changes. Change, the process of moving to a new and different state of things is a constant for organizations in order to survive and stay competitive. Managing organizational change is, in very large part, about managing the "people" aspects of that process. It is people who make up organizations and it is they who are the real source of, and vehicle for, change. They are the ones who will either embrace or resist change. Ultimately, for an organization to change, it is essential that the employees of that organization also change. Thus, employee cooperation with organizational change efforts is connected to either the ultimate success or failure of a change initiative (Hendrickson & Gray, 2012).

Change in organization usually develops uncertainty and anxiety among employees because of developing a vague and an unknown situation. To develop the situation, employees can be affected by different factors like individual's life experiences, socio-demographic characteristics, knowledge and skills, attitudes, behaviors and organization's internal and external as well as social factors. These factors support to develop employees different feelings, thoughts and beliefs towards organization change. In this regards, change management agents are solely concerned with the issues how to deal with the employees so that they can actively accept and involve in the change process (Holt, 2007).

Employee's response regarding the change may be either active or passive but can be critical and serious for the management. Employee's active role may show positive attitudes and behaviors for the organization. It could be developed by employees' commitment with the organization and career because relating with individual's psychological and financial needs. First time in literature, Madsen et al., (2005) examined employees' commitment with the organization and found positive relations for readiness to change. In literature many predictors have been found but what this researcher has reviewed, this may be first study in the domain of change management to examine the career commitment factor for employee's readiness to changes. In fact, career commitment is related with individual's attitudes and behaviors by his or her career. Literature reveals that if employee is committed with his or her career can exert more efforts with high level of progress and skills to work into the organization (Colarelli and Bishop, 1990). Most of the commitment research work has been conducted in developed countries (Gautam et al., 2001) where priorities of employees are different due to economical, political, cultural, religious and environmental difference.

Organizations are in a continuous need to change as they confront new challenges and adapt to the turbulence of their operating environments (Oreg & Berson, 2011). Organizational change-related tasks can be difficult to successfully achieve as evidenced by the results of the change efforts undertaken by organizations. In their study of organizational change initiatives, Burnes and Jackson (2011) argued that there is a general failure rate of approximately 70%. In a survey of 3,199 executives from around the world, only one-third of change initiatives succeeded (Crouzet, Parker, & Pathak, 2014). Improving organizational performance resides at the center of organizational change (Armenakis, Field, & Mossholder, 2012). Organizational changes do not take place in isolation from employees and require changes at the individual level (Burke, 2011). In fact, Choi & Ruona (2011) highlighted the increased pressure on organizations to obtain wide support for change initiatives from their members.

For organizations to successfully undergo change, individuals need to engage in behavioral changes. The acceptance or rejection of change at an organizational level is related to work behaviors enacted by each organizational member (Stevens, 2013). In a survey of over 1,500 executives from around the world, Erwin and Garman (2010) correlated successful alterations of individual behaviors to the achievement of planned organizational changes. Researchers have emphasized the significance of employees' roles in effecting the potential for organizational change to succeed (Fugate, Prussia, & Kinicki, 2012; Oreg et al., 2013). Change recipients' responses are key to the implementation of organizational change. Under the pyramidal structure of most organizations, the responsibility for implementing change tends to reside on leaders and their followers and their roles of facilitator and change recipients (Choi & Ruona, 2011; Raelin & Cataldo, 2011). Scholars have established a relationship between leaders' behaviors and employees' attitudes towards change (Jaros, 2010; Oreg & Berson, 2011). Based on a survey of over 115,000 employees impacted by organizational change, Parry, Kirsch, Carey, and Shaw (2013) identified the quality of change management as a key driver of change. The dynamics and perspectives of change agent and change recipient influence the implementation of organizational change. It is argued that there are five key change message elements suggested by experts about the level of change readiness (Armenakis et al. 1999; Armenakis & Harris 2002; Armenakis et al. 2007). Those components are discrepancy, efficacy, appropriateness, principal support and personal valence. However, recently, research by Holt et al. (2007) suggests that discrepancy is already covered in appropriateness. Furthermore, the literature by Choi and Ruona (2011) reveals that Holt et al. (2007) use a comprehensive term by mentioning four dimensions: discrepancy, efficacy, management support and personal valence. Consequently, this present study used

the four elements by Holt et al. (2007) for the individual readiness for change.

Management Support

Management support is a strong reason for leaders to adapt to the change (Holt et al., 2007), while change needs resources and commitment (Armenakis & Harris, 2002). People could then see the change through the entire institution. In improving the employee readiness to change, managers play an important role (Neves, 2009). Furthermore, management support and some other factors are important; such as the encouragement from senior leaders to adopt the change, the support from a decision maker or the top management to strongly stress how crucial the change is, the commitment from the senior leaders to adapt and to clarify the hint from the management that organization is going to have the change (Holt et al., 2007). In addition, Bernerth (2004) is of the view that the most important factor is the reality that no one stands alone as a part of an organization. In fact, employees get along cognitively and behaviorally with their colleagues.

According to Bernerth (2004), employees look for not only predictable relationships but also job functions which are dependable and consistent. In fact, mentioning the word 'change' could make them worried. When facing uncertainty, employees listen to their colleagues or leaders, either formally or informally, to know how to respond. The personnel's sacrifice, participation and commitment should be rewarded by having compensation and performance assessment (Susanto, 2008). Bernerth (2004) argues further that it makes sense when individuals get to know the response of their co-workers and top leaders they can be sure if there is any support for the required change. When the managers and other respected co-workers do not show any willingness to take a side about the change effort, the resistance and resentment towards the change is greater. Support from management also could be known from how the management responds to the change by carrying out the performance assessment and giving compensation for the change initiation. Change needs employees' sacrifice since employees may feel uncomfortable with the new conditions during the process of change (Bernerth, 2004). Managers are the main point of socializing the readiness for change to the employees (Neves, 2009).

H1: Management support has a positive and significant effect on employees' readiness for organizational change.

Self-Efficacy

The second component is efficacy, which is defined by Armenakis and Harris (2002) as 'having confidence to be successful, which could make somebody try the change'. While efficacy is the belief in the ability to carry out a proposed change (Holt et al. 2007; Neves 2009); it is the ability to face the change (Neves, 2009). Self-efficacy to change means the feeling of having the skills to execute any tasks and activities in line with the implementation of the prospective change (Holt et al., 2007). The authors also mention some elements in efficacy; feeling that it is easy to cope with the change, having the ability to make the change, learning the requirements for the change, and having some experience to boost confidence to succeed. Self-efficacy is the decision to use the ability to perform any certain task (Bernerth, 2004). It is a belief that "we could do this". This is similar to what Bernerth and Armenakis et al. (2007) think; that someone will do certain activities when he is sure he is able to. Any change agents should ensure personnel have the ability to make changes successfully (Bernerth, 2004). The author further believes that many change efforts offer an unfamiliar situation and atmosphere for employees. For him, forming employees' efficacy means minimizing fear and building a mindset to be successful. Then, if employees have insufficient confidence to do what is required by the management, the change agents should formulate realistic targets and strategies to communicate how all personnel could enhance the opportunity to succeed. Besides this, he also believes that building self-efficacy for the successful change could be the first step to having a sense of institutional readiness. Thus, the employees must believe that they are able to develop the attitudes required of those who change, so that the change output may be less than the expectation (Armenakis et al., 2007).

H2: Self-efficacy has a positive and significant effect on employees' readiness for organizational change.

Appropriateness

In addition to believing a discrepancy exists, if employees are to support change, they must also believe that the specific organizational change being proposed will effectively address the discrepancy. This second sentiment is labeled appropriateness. This sentiment is also consistent with social accounts theory (Bies, 1987) and is used to describe whether the proposed or implemented change is/was the correct one for the present situation.

One requirement of effective problem solving is to realize the uniqueness of a given situation. Thus, a corrective action should be matched to a given situation. An early understanding of the importance of matching was provided by Harrison (1970) who argued that change agents should choose the proper depth of interventions in implementing change. Depth referred to the extent to which individual emotional involvement (that is, value laden, emotionally charged and central to the individual's sense of self) is required of the participants. For example, operations analysis is relatively shallower than task-group therapy. The rationale for matching strategies to organizational change issues is to intervene at a level sufficient to produce enduring solutions. Abrahamson (1996) researched the practice of implementing managerial fads. Template diagnosis is a term used to describe the unsystematic process of implementing a course of action without recognizing the organization's uniqueness. Fads are often attractive to managers who are seeking some quick fix. If a change initiative is appropriate, there should be some definitive evidence indicating why it is the correct one. Employees must be convinced that the change being implemented is appropriate for the organization's context and not just a fad.

H3: Appropriateness has a positive and significant effect on employees' readiness for organizational change.

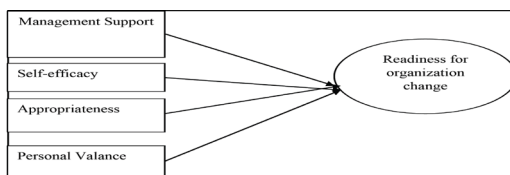
Personal Valence

Valence refers to the perceived personal benefit (or personal loss) one may reasonably expect as a result of an organizational change. This 'what's in it for me' sentiment was addressed in 43% of the 42 studies described by Armenakis et al. (2007). Valence for an organizational change may be a function of extrinsic, as well as, intrinsic outcomes. The importance of valence as a factor in motivation originated with the work of Vroom (1964) and refers to the attractiveness of the outcome (perceived or real) associated with an organizational change initiative. Similarly, Bandura (1982) emphasized that extrinsic incentives (for example, financial compensation) may be used to entice individuals to change their behaviors, at least until the intrinsic value becomes apparent. Incentive systems like gain-sharing programmes (Bullock and Tubbs, 1990) provide extrinsic rewards and can be integrated with change initiatives. Van Dam (2005) found that attitudes toward job changes were related to the beliefs about expected outcomes.

H4: personal valence has a positive and significant effect on employees' readiness for organizational change.

Conceptual Framework

Factors that affect employees readiness programs such as Management Support, Self-efficacy, appropriateness and Personal Valence are assumed to be independent variables whereas readiness for change. Readiness for change is the dependent variable as depicted hereunder:



Source: Adapted from Holt, Armenakis, Field and Harris (2007) with slight alterations

MATERIALS AND METHODS

The Study Design

The study pursued a quantitative research approach with and through descriptive, explanatory and survey design. A survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population and According to Kotari (2004) Descriptive research includes surveys and fact-finding enquiries of different kinds. From sample results, the researcher generalizes or makes claims about the population (Creswell, J. W., & Plano Clark, V. L., 2007).

Sampling and Data Source

The target population of this study was employees, who have experience of one year and above, currently working in Awash Bank in all branches of North West Region. These employees have been selected because it is believed that they have improved understanding and knowledge regarding organizational change practices and its determinants in the bank. As per the data gathered from the bank's human resource management department, the number of employees who were employed before a year ago under the region within 21 branches is totally 326, so the total population for this study is 326 employees. Primary data through questionnaire is collected from a total of 180 permanently hired employees who are selected in a simple random sampling technique.

Measurement and Variables

To achieve the proposed objective the study adopted measurements that are valid, reliable and used by prior researchers. Seven point likert scales ranging from 1 strongly disagree to 7 strongly agree used to measure the research variables.

Independent variables (management support, self-efficacy, appropriateness and personal valence) were measured by instrument developed by Holt, Armenakis, Field and Harris (2007).

Dependent variable (readiness for organizational change) is measured by using Hanpachern's original Readiness for organizational Change scale (with slight alterations), which was based in part on McNabb and Sepic (1995).

Data Analysis technique

For scientific study, it is very essential to have and use appropriate statistical tools that are helpful to analyze and give meaning to the collected data. To diagnose and synthesize the collected data, this research used statistical tools that are supportive to establish relationship and diagnose effects between independent and dependent variables. Inferential analysis (correlation and regression) is used to analyze the collected data. To get the analysis done, assumption tests (like test of normality, linearity, and multi co-linearity) were applied to establish statistical analysis.

RESULTS AND DISCUSSION

The table below demonstrated the general description of important demographic information about respondents. Sex, age group, education level, and working experience are demographic information covered in this study. The mean and standard deviation values are also available. The table also shows there is no missing value within the total respondent (N=174). Questionnaires were distributed for all 180 (sample size) participants, 174 of them are valid and used for analysis yielding (97%) response rate.

	N	Minimum	Maximum	Mean	Std. Deviation
sex	174	1.00	2.00	1.3736	.48515
age	174	1.00	5.00	1.7069	.72148
educational status	174	1.00	6.00	4.9023	.85118
job experience	174	1.00	6.00	1.6552	.90378
Valid N (listwise)	174				

Source: survey data 2019

Correlation and multiple linear regressions were conducted to see the relationship and predicted value of the four dimensions on readiness for organizational change (the dependent variable). Table 2 below summarizes the correlation statistics of the variables management support, self-efficacy, appropriateness, personal valence *and* readiness for organizational change.

Table 4.2 Correlation

	RFC	SLEF	PV	MGT	APP	
RFC	Pearson Correlation	1				
	Sig. (2-tailed)					
SLEF	Pearson Correlation	.580**	1			
	Sig. (2-tailed)	.000				
PV	Pearson Correlation	.500**	.377**	1		
	Sig. (2-tailed)	.000	.000			
MGT	Pearson Correlation	.767**	.519**	.312**	1	
	Sig. (2-tailed)	.000	.000	.000		
APP	Pearson Correlation	.576**	.676**	.317**	.461**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

** . Correlation is significant at the 0.01 level (2-tailed).
b. Listwise N=174

The Pearson's r correlation between the four predictor variables (management support, appropriateness, personal valence and self-efficacy) with readiness for organizational change was conducted. Table 2 above show that there is a high positive correlation between management support and readiness for organizational change, $r = .767$, $p < .01$, $n = 174$; appropriateness has a moderate positive correlation with readiness for organizational change, $r = .576$, $p < .01$, $n = 174$; personal valence has a positive moderate relationship with readiness or organizational change $r = .500$, $p < .01$, $n = 174$; and there is a positive moderate correlation between employees self-efficacy and readiness for organizational change, $r = .580$, $p < .01$, $n = 174$.

A multiple linear regression was conducted to see if management support, appropriateness, personal valence and self-efficacy have effect and predictive value on readiness for organizational change. The three tables below (model summary, ANOVA and coefficient) show how the independent variables predict the dependent variable and the regression model is fit or not. Using the enter method of multiple linear regression Table 3 (model summary table) indicates what the dependent variable (readiness for organizational change) was and what the predictors were (management support, appropriateness, personal valence and self-efficacy).

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.840a	.705	.698	.46207	1.761

a. Predictors: (Constant), APP, PV, MGT, SLEF
b. Dependent Variable: RFC

It is found that management support, appropriateness, personal valence and self-efficacy explain a significant of the variance in the value of readiness for organizational change, $p < .05$, $R^2 = .705$, $R^2_{adjusted} = .698$). The R^2 tells us how much the variability in the outcome (readiness for organizational change) is accounted by the four readiness for organizational change determinants. The model explains 69.8% of the variability on readiness for organizational change is explained by the four predictors (management support, appropriateness, personal valence and self-efficacy). The last column of the model summary table, Durbin-Watson test statistics, helps to let know whether the assumption of independent errors is acceptable. As a conservative rule values less than 1 or greater than 3 should definitely raise alarm bells (Field, 2009). The closer to 2; the value is the better and for these data the value is 1.761, which is close to 2 that the assumption is almost met.

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	86.161	4	21.540	100.885	.000b
	Residual	36.084	169	.214		
	Total	122.244	173			

a. Dependent Variable: RFC
b. Predictors: (Constant), APP, PV, MGT, SLEF

The fit of the regression model can be assessed using the model summary and ANOVA table. ANOVA tests whether the model is significantly better at predicting the outcome than using the mean as a 'best guess' (Field, 2009). Table 4 above demonstrates this reality, there is a significant effect of management support, appropriateness, personal valence and self-efficacy on readiness for organizational change $F(4,169) = 100.88$, $P = .000$). As it is shown above the F -ratio is significant to predict the model. Thus, the four determinants (management support, appropriateness, personal valence and self-efficacy) have a significant effect on readiness for organizational change (the outcome variable). Their independent effect is demonstrated under the coefficient table.

The coefficient table below (Table 5) illustrates the coefficient values with beta, t-values and significant values for each predictor on readiness for organizational change. It is through the coefficient table that we came to know the predictive value of each determinant on readiness for organizational change. Look at the beta value and this tells if the regression is positive or negative for these variables.

The analysis shows self-efficacy did not significantly predict readiness for organizational change at the $p < .05$ level ($b = .054$, $t(169) = 1.016$, $p = .311$); however management support, appropriateness and personal valence did significantly predict readiness for organizational change at the $p < .05$ level, management support with the following value ($b = .507$, $t(169) = 11.376$, $p = .000$), appropriateness ($b = .247$, $t(169) = 3.399$, $p = .001$), and personal valence at the $p < .01$ level ($b = .11$, $t(169) = 5.184$, $p = .000$).

Table 4.5. Coefficients^a

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.	Collinearity Statistics			
	B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	.081	.343		.236	.814		
	SLEF	.054	.053	.062	1.016	.311	.472	2.121
	PV	.110	.021	.237	5.184	.000	.835	1.197
	MGT	.507	.045	.570	11.376	.000	.695	1.438
	APP	.247	.073	.196	3.399	.001	.524	1.910

a. Dependent Variable: RFC

The study adopted a multiple linear regression guided by the following model:

$$Y_i = b_0 + b_1X_{i1} + b_2X_{i2} + b_3X_{i3} + b_4X_{i4} + \epsilon_i$$

Readiness for organizational change = .081 + (.507) Management support + (.054) self-efficacy + (.11) personal valence + (.247) appropriateness + ϵ_i

The individual contribution of variables to the regression model can be found in the Coefficients table as can be seen in the above table. From the coefficient table management support with ($b=.507$) indicates that as the value of management support increases by one percent, readiness for organizational change increases by 50.7 percent. This interpretation is true only if the effect of appropriateness, personal valence and self-efficacy is held constant. Similarly, appropriateness with ($b=.247$) indicates that as the value of appropriateness increases by one percent, readiness for organizational change increases by 24.7 percent. This interpretation is true only if the effect of management support, personal valence and self-efficacy is held constant. Personal valence with ($b=.11$) value shows that as the value of personal valence increases by one percent, readiness for organizational change increases by 11 percent. This interpretation is true only if the effect of management support, appropriateness, and self-efficacy is held constant. From these beta values management support has a better contribution for readiness for organizational change.

The t -test helps to conceptualize as measures of whether the predictor is making a significant contribution to the model. Therefore, if the t -test associated with a b -value is significant (if the value in the column labeled Sig. is less than .05) then the predictor is making a significant contribution to the model (Field, 2009). The smaller the value of Sig. (and the larger the value of t), the greater the contribution of that predictor is. For this model, management support ($t(169) = 11.376, P < .01$), personal valence ($t(169) = 5.184$ and appropriateness ($t(169) = 3.399, P < .01$) are significant predictors of readiness for organizational change, however self-efficacy ($t(169) = 1.016, P = .311$) did not predict readiness for organizational change.

The first hypothesis states that *'management support has a positive and significant effect on employees' readiness for organizational change*. The statistical result revealed that management support has a positive β coefficient value ($b=.507, t(169)=11.376, p=.000$). Management support significance value is below at the significance level of $p<.05$. Therefore, with this result the proposed *hypothesis* is failed to reject.

According to the above finding, management support practices like leaders encouragement of their workers to embrace any change, putting their effort behind any change circumstance, stressing or emphasizing the importance of any change for the organization and being sensitive for any change program for its implementation and successfulness can really impact on workers readiness for the required change. This finding is consistent with the work of Bernerth (2004), Susanto (2008), and Neves (2009). Bernerth (2004) argues that any change makes sense when individuals get to know the responsibility of their co-workers and top leaders. They can be sure if there is any support for the required change.

Any required change can be successful when top decision makers are observant and committed for the change. When there is top management involvement either to create and improve awareness or to motivate employees that any required or proposed change can be realized. Support from management also could be known from how the management responds to the change by carrying out the performance assessment and giving compensation for the change initiation. When this is so management can send a clear signal that the organization is going to change.

The second hypothesis states that self-efficacy has significant and positive effect on employees' readiness for organizational change. Following the same procedure, the statistical result revealed that self-efficacy has a positive *beta* coefficient value ($b=.054$, $t(169)=1.016$, $p=.311$). This significance value is above the cut-off value $p<.05$. Based on this statistical value, the proposed hypothesis stating that '*self-efficacy has a positive and significant effect on readiness for organizational change*' is rejected.

The above finding with regard to self-efficacy and readiness for organizational change is against the work of Bernerth (2004), Bernerth and Armenakis (2007) and Andrew and Mohankumar (2017). According to Bernerth and Armenakis (2007) for employees to have a sense of institutional readiness building their attitude of self-efficacy is paramount. This statement is more emphasized by Andrew and Mohankumar (2017) stating that Self-efficacy had a statistically significant and positive relationship with employee readiness for organizational change. This suggests that, the higher the employee self-efficacy, the more readiness for organizational change and employee exert better and higher performance. Employees having skills that are needed to make change work and their past experience used to make them feel confident will help them to perform the required change successfully. According to Bernerth (2004) forming employees' efficacy means minimizing fear and building a mindset to be successful. Then, if employees lack competence and confidence to do what is required by the management, the change agents should formulate realistic targets and strategies to communicate how all personnel could enhance the opportunity to succeed. The finding of this research is putting assignment in the case organization to check and build the workers self-confidence so that they can contribute their effort for any required change.

The third hypothesis states that '*appropriateness has a positive and significant effect on employees' readiness for organizational change*'. The statistical result shows that appropriateness dimension has a positive coefficient value ($b=.247$, $t(169)=3.399$, $p=001$). This dimension's significance value is below the significance level $p<.05$. The significant value indicates appropriateness dimension really predict readiness for organizational change. Thus, the proposed hypothesis stating *appropriateness has a positive and significant effect on readiness for organizational change* is failed to reject.

The above finding change appropriateness is in line with the work of Iqbal (2011) and Choi (2011). The sentiment behind change appropriateness is used to describe whether the proposed or implemented change is/was the correct one for the present situation. It is about ensuring the proposed change is timely and really important for the organization. According to this research finding when saying appropriateness is a predictor of readiness for organizational change, it mean that there are many reasons why the bank need to adapt itself with any changing circumstance in the industry. In a competitive business environment it is easy to predict why organizations adapt themselves with a changing environment. These days it becomes a must to cope up with the situation. Interesting change appropriateness issue is priorities of the change; this research finding confirms the bank's change activities are its priorities.

The earliest work of Abrahamson (1996) used to emphasize the importance of appropriateness. Fads are often attractive to managers who are seeking some quick fix. If a change initiative is appropriate, there should be some definitive evidence indicating why it is the correct one. Employees must be convinced that the change being implemented is appropriate for the organization's context and not just a fad.

The fourth hypothesis states that '*personal valence has a positive and significant effect on employee readiness for organizational change*'. The statistical result shows that personal valence dimension has a positive coefficient value ($b=.11$ $t(169)=5.184$, $p=.000$). This dimension significance values is below the significance level $p<.05$. The significant value indicates personal valence dimension really predict readiness for organizational change. Thus, the proposed hypothesis stating *personal valence has a positive and significant effect on readiness for organizational change* is fail to rejected.

Personal valence for an organizational change may be a function of extrinsic, as well as, intrinsic outcomes. Personal valence is 'what is in it for me' sentiment that workers develop at the time of any change. In one way or another, workers of a particular organization really develop this attitude i.e. they require a payoff for any contribution they made. At the time of any change process workers may perceive the proposed change may disrupt many of their personal relationships they have developed. In addition to this kind of frustration they will assume their future on the job is limited because of change, because personal valence is all about gaining and losing something from the change. When employees build positive expectation regarding a particular change, they try to put their effort. More over at the time of change workers may feel the proposed change will lose some of their status in the organization that they enjoyed before and this is interesting personal valence issue that employees develop. The importance of valence as a factor in motivation originated with the work of Vroom (1964) and refers to the attractiveness of the outcome (perceived or real) associated with an organizational change initiative.

The above multiple linear regression statistical results indicate that, each readiness for change determinant dimensions associations and their predictive value on readiness for organizational change. Management support takes the largest share in predicting readiness for organizational change followed by appropriateness, and personal valence; however self -efficacy didn't predict readiness for organizational change significantly.

CONCLUSION

The study was set out to explore the effect of four factors on employees' readiness for organizational change in Awash Bank North west region. The study has identified four determinants of readiness for organizational change (management support, self-efficacy, appropriateness and personal valence) and investigated their effect on employees' readiness for organizational change. Extant theoretical literatures and recent empirical findings on this subject and specifically in the banking sector context were so supportive. Investigating the effect of these four predictors on readiness for organizational change is the general objective of the study and the statistical result confirmed that management support dimension is better than other determinant factors and it is in line with the research hypothesis. Appropriateness is the second important predictor of readiness for organizational change. And personal valence is the third determinant factor on employees' readiness for organizational change. The statistical result also confirmed that self-efficacy is not a predictor of readiness for organizational change.

Recommendation

Based on the finding and discussion of the research the following important and precise recommendations are forwarded.

At any time of organizational change program the support of top decision makers always must be there. Since it has a predictive power on employees readiness, it should be recognized and practice by the management. The management body should be committed, observant, show obsession for any required change. When they show they are part of the changing process their workers readiness for it is improved.

To promote the workers readiness for any organizational change the bank should always think strategically and identify its priorities. Since change appropriateness can increase the bank's efficiency and competitiveness,

the bank should prioritize and implement any required change practices.

To improve the workers readiness for any organizational change the bank should try to provide training and awareness creation programs for the proposed change, so that they can perceive any change in the organization is an opportunity for their career. Without awareness creation program trying to implement any change minimizes the workers readiness.

The final recommendation is regarding the development of the workers self-efficacy. To implement any change it requires the confidence of workers to handle it successfully. The bank should make efforts to build the workers confidence to implement the change successfully. Supporting workers through training and awareness creation programs are important techniques used to build the efficacy of workers.

Suggestions for Future Research

To generate achievable policy strategies and development targets with regard to workers readiness behaviors, there is need for more research works that exhaustively study various working behaviors in the banking industry. Exploring the following as future research strategies can help to improve the workers behaviors particularly with readiness for organizational change.

The research took only North West region branches of the bank. Future research works should try to involve other districts and branches of the bank.

The study took only four determinants of readiness for organizational change. For further understanding of the variables, future studies shall to see other determinants.

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