THE MAIN SOURCES OF RESISTANCE TO ORGANISATIONAL CHANGE AND HOW SHOULD SUCH RESISTANCE BE MANAGED?

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ABSTRACT

Resistance to organizational change is a common challenge that can significantly hinder progress and development. This review article explores the primary sources of resistance to change, including self-interest, misunderstandings, differing perspectives, and low tolerance for change. It discusses various strategies to manage this resistance, such as education, involvement, support, negotiation, manipulation, and coercion. Each strategy is evaluated for its effectiveness in different scenarios. The article emphasizes that a combination of these strategies, tailored to the specific context and challenges, can effectively mitigate resistance. By understanding and addressing the root causes of resistance, organizations can facilitate smoother transitions and achieve successful change.

Keywords: *Organizational Change, Resistance Management, Diversity and Inclusion, Remote Work, Sustainability.*

INTRODUCTION

Organizational change is essential for growth but often faces resistance from people within the organization. Understanding why people resist and how to manage that resistance is crucial for leaders. Resistance can be passive or active. This review article explores the main sources of resistance and how to handle them.

The article identifies four main reasons for resistance: self-interest, misunderstandings, different views, and low tolerance for change. Each reason is explained with examples and theories. The article then looks at six strategies to manage resistance: education, involvement, support, negotiation, manipulation, and coercion. The pros and cons of each strategy are discussed to give a clear picture of how to handle resistance in different situations.

By breaking down the reasons for resistance and effective management strategies, this article aims to help managers and leaders navigate organizational change successfully. The key

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takeaway is that a mix of strategies is often needed to address resistance and achieve successful change.

RESISTANCE TO ORGANISATIONAL CHANGE

A. Definition

Resistance to organisational change has been defined by several authors. Resistance is defined in terms of its consequences as "a multifaceted phenomenon, which introduces unanticipated delays, costs and instabilities into the process of a strategic change" (Ansoff, 1988, p. 207).

Resistance in terms of status quo is defined as "any conduct that serves to maintain the status quo in the face of pressure to alter the status quo" (Zaltman and Duncan, 1977, p. 63). Status quo refers to the existing order of things, present customs, practices and power relations.

In an organizational setting resistance is defined as "an expression of reservation which normally arises as a response or reaction to change" (Block, 1989, p. 199).

B. Sources of Resistance to Organisational Change

Individuals or groups in an organisation can react differently to change. They can passively resist it, aggressively undermine it or sincerely embrace it. The four most common sources of resistance to organisational change (Kotter and Schlesinger, 2008) are a desire not to lose something of value, a misunderstanding of the change and its implications, a belief that the change does not make sense for the organization, and a low tolerance for change. These sources are summarised as follows:

1. Parochial Self-Interest

People resist organisational change because they feel that they will lose something of value as a result. In such cases, as people focus on their own interests and not those of the organisation, resistance often results in politics and political behaviour (Zaleznik, et al, 1975).

Political behaviour emerges before and during organisational change. The best interests of one individual or group is not in the best interests of the organisation or of other individuals and groups (Schein, 1965).

The resistance stems from the consequences of the people's established relationship with the organization or the perception of the role or place in the organization (VanDijk & VanDick 2009). Some of the concerns of the people resulting in resistance are loss of power, loss of prestige, loss of salary, change in working conditions and loss of comfort.

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An example of parochial self-interest (Kotter and Schlesinger, 2008, pp 132) is as follows: The president of an organisation decided to create a new department called new product planning and development to be headed by a vice-president. This proposed change eliminated the decision-making power of vice presidents of marketing, engineering and production over new products. The change would reduce the status and power of the vice presidents of marketing, engineering and production. Therefore, they resisted the change by objecting, although new products were key to the organisation's future. Ultimately the president had to shelve the proposed change plan.

2. Misunderstanding and Lack of Trust

Misunderstanding the implications of change can also cause resistance. People perceive that it may cost them much more than they actually gain. It often occurs when trust is lacking between the person initiating the change and the employees (Argyris, 1970).

A high level of trust between employees and managers is necessary. Otherwise, misunderstandings will develop when change is introduced. Unless the misunderstandings are clarified quickly, there will be resistance to change.

An example of misunderstanding and lack of trust (Kotter and Schlesinger, 2008, pp 133) is as follows: The president of a small company announces to his managers that a flexible working schedule would be implemented for all employees. He made this decision to improve the working conditions better particularly for the clerical staff and plant personnel. The announcement led to rumours being circulated among plant employees, as they did not know what flexible working hours meant and also, they did not trust the manufacturing vice-president. One rumour was that the people should work whenever the supervisor asked them to do so. They feared working every evening and weekends. The employee association demanded that the flexible working hours concept be dropped. The president had to comply as the demand was non-negotiable.

3. Different Assessments

Resistance to organisational change also stems from the people's different assessment of the situation as compared to the assessment of the managers or those initiating change. People observe more costs than benefits resulting from the proposed change, not only for themselves but for the organisation as well.

Managers who initiate change often consider two wrong assumptions. The first assumption is that they have all the relevant information required. The second assumption is that the people affected by the change have the same relevant information. In reality there is a difference in information which often leads to differences in analyses, which in turn can lead to resistance. If the analysis made by those not initiating the change is more accurate than that derived by the initiators or managers, resistance is good for the organization. This case is not accepted by some managers as they assume that resistance is bad and must be addressed (Lawrence, 1954).

An example of different assessments (Kotter and Schlesinger, 2008, pp 134) is as follows: The president of a mid-size bank initiated a plan to reorganize the section of the bank that managed real estate investment trust (REIT) loans, after a complicated analysis suggested that the bank could lose up to $10 million and the losses were increasing each month by 20%. Fearing a stock market crash, he only communicated his reorganization plan to the REIT section manager who was a new hire. Immediately, the reorganization plan was met with resistance from the people of REIT section. The people of the REIT section were not happy with the plan and resulted in three capable people quitting the organisation. The section's plan to implement a new programme to reduce the loan losses was also crippled. The president was unaware of this plan.

4. Low Tolerance for Change

Low tolerance for organisational change can also lead to resistance. People fear that they will not be able to develop and learn new skills and behaviour that will be required of them. Human beings are limited in their ability to change, with some people much more limited than others (Watson, 1969).

People will resist change even when they realise that it is a good one, due to low tolerance for change. For example, a person who is promoted as a result of organisational change will be happy. But at the same time, the promotion will lead to uneasiness and resistance in giving up certain aspects of the current situation or responsibility. The new job responsibilities will require new and different behaviour, new and different relationships as well as the loss of some satisfactory current activities and relationships.

If the changes are significant and the individual's tolerance for change is low, he might resist the change subconsciously. People also resist change to save face thinking that the change

justifies some of their previous decisions or beliefs were wrong. People might also resist change due to peer group pressure or a supervisor's attitude (Zaltman and Duncan, 1977).

C. Management of Resistance to Organisational Change

There are six ways of managing resistance to organisational change (Kotter and Schlesinger, 2008, pp 134). They are summarised as follows:

1. Education and Communication

Educating people beforehand about the organisational change can overcome resistance. The change ideas should be communicated to help people see the need for and the logic for such a change. The education process involves one-on-one discussions, presentations to groups, memos and reports.

For example (Kotter and Schlesinger, 2008, pp 134), a divisional manager has been entrusted with educating and communicating the organisation's plan of restructuring a division and in measurement and rewards system to corporate and divisional managers. The divisional manager prepared a one-hour audio-visual presentation that explained the changes and made a dozen presentations to groups of 20 or 30 corporate and division managers.

If the resistance is based on inadequate or inaccurate information and analysis, especially if the initiators need the resisters' help in implementing the change, an education and communication programme is ideal. If a lot of people are involved, it requires time and effort.

2. Participation and Involvement

Resistance can be prevented if the persons resisting, are allowed to participate and get involved in organisational change process. The initiators must involve the people resisting in some aspects of the design and implementation of the change. Initiators must listen to the people affected by change and must pay heed to their advice.

For example (Kotter and Schlesinger, 2008, pp 135), the president of a small financial services company wanted changes in the company's benefit package which was part of the reward system. So, he created a task force comprising of eight second- and third-level managers from different parts of the company to help design and implement the changes. The plan was time bound and monitored by the president. The president accepted the recommendations of the task force. The task force was then asked to help the company's personnel director implement the recommendations.

When change initiators do not have all the information they need to design and implement a change, or when they need the wholehearted commitment of the people affected by change, a participative and involvement approach makes good sense. Participation leads to commitment, not merely compliance (Marrow et al., 1967). Commitment is required for the change to be a success.

Participation process has its drawbacks. It can be time consuming and lead to a poor solution if the process is not carefully managed. If the change must be implemented immediately, the time taken to involve the people affected by change will be too long.

3. Facilitation and Support

Facilitation and support by given by managers or initiators to people affected by change can deal with potential resistance. It is most helpful when fear and anxiety lie at the heart of resistance. This process involves providing training in new skills, or giving employees time off after a demanding period, or simply listening and providing emotional support.

For example (Kotter and Schlesinger, 2008, pp 135), the management of a rapidly growing electronics company devised three plans to help people affected by frequent organisational changes. In the first plan, counsellors were hired in its human resource department who could speak to the people affected by organisational changes. In the second plan, the management offered people (on a selective basis), a four-week sabbatical. These sabbaticals involved reflective or educational activity away from work. In the third plan, money was spent on in-house education and training programmes.

The drawback of facilitation and support approach is that it can be time consuming and expensive and still fail (Zaltman and Duncan, 1977). Using supportive methods is not very practical if time, money, and patience are not available.

4. Negotiation and Agreement

Negotiations and agreements can offer incentives to active and potential resistors to deal with resistance. Management can offer a higher wage rate to the employee union in return for a work rule change. Management can also increase an individual's pension benefits in return for an early retirement.

For example (Kotter and Schlesinger, 2008, pp 136), in a large manufacturing company with interdependent divisions, a division manager wanted to make some major changes. He recognized that he would be forcing some inconvenience and change on other divisions due to

the interdependence. So, in order to prevent top managers in other divisions from undermining his efforts, the division manager negotiated a written agreement with each. The negotiated agreement had specific outcomes and timelines the other division managers would receive, as well as the different kinds of cooperation that he would receive from them in return during the change process. So once the agreement was approved, the other division managers could not complain about the changes or the change process.

Negotiation is appropriate when it is clear that someone is going to lose out as a result of a change and yet his or her power to resist the change is significant. Major resistances can be avoided by drafting negotiated agreements though they are expensive. Negotiations can also lead to blackmail (Nierenberg, 1968).

5. Manipulation and Co-optation

Managers use covert attempts to influence others in certain situations. Manipulation involves, selective use of information and conscious structuring of events. Co-opting an individual involves giving him or her a desirable role in the design or implementation of the change. Co-opting a group involves giving one of its leaders, or someone it respects, a key role in the design or implementation of a change. In this approach, the initiators do not want the advice of the co-opted.

For example (Kotter and Schlesinger, 2008, pp 136), recommendations to problems faced by a division of a multi-business company were diagnosed, and the proposed changes were accepted because of co-optation concept. It worked out cheaper as well. One of the drawbacks of this approach is that people may have a negative response to it. Manipulative managers can lose credibility which can ruin their careers.

Manipulation is used when all other tactics are not feasible or have failed (Kotter, 1977). Manipulation is used to scare people into thinking that a crisis is looming and they can only avoid it by accepting a change.

6. Explicit and Implicit Coercion

When situations demand the proposed changes to be implemented quickly, managers resort to coercion. Managers use coercive techniques like explicitly or implicitly threatening (with loss of jobs, denied promotions, etc.) or by actually firing or transferring the people affected by change. This approach is risky as people strongly resent forced change.

DISCUSSION AND CONCLUSIONS

Managing resistance to organizational change is essential for navigating the complexities of modern workplaces. The primary sources of resistance—self-interest, misunderstandings, differing perspectives, and low tolerance for change—underscore the diverse challenges leaders face. To effectively address these issues, managers can deploy a range of strategies including education, involvement, support, negotiation, manipulation, and coercion. Each strategy plays a critical role in overcoming specific barriers to change. For instance, in addressing the shift to remote work, where resistance may arise from uncertainty or misconceptions, proactive education and clear communication about the benefits of remote work can alleviate concerns and facilitate smoother adaptation among employees. Similarly, during digital transformation initiatives, involving employees in decision-making processes and providing continuous support can mitigate fears of technological displacement and enhance organizational readiness for change.

Moreover, efforts to promote diversity and inclusion often encounter resistance stemming from perceived self-interest or misunderstandings about the initiative's goals. Educating employees on the strategic importance and benefits of diversity initiatives, coupled with their active involvement in shaping and implementing these efforts, can foster a culture of acceptance and commitment. Additionally, introducing sustainability practices may face resistance due to varying assessments of their necessity and impact. Here, effective negotiation and transparent communication of the long-term benefits to both the organization and the environment can align employee interests with broader sustainability goals, thereby facilitating sustainable change.

Successfully managing resistance to organizational change requires a strategic approach that acknowledges and addresses the specific sources of resistance in each context. By leveraging a combination of targeted strategies, leaders can mitigate resistance, promote organizational agility, and ensure smoother transitions in the face of evolving business landscapes. Addressing contemporary challenges through these strategies not only enhances organizational resilience but also fosters a culture of adaptability and innovation necessary for long-term success.

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