



Effects Of Change Management On The Productivity Of Organizations In Nigeria

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ABSTRACT

This paper is on the effects of change management on the productivity of organizations in Nigeria. Change management practices relate to a variety of organizational interventions that when executed properly and in consistency with internal and external organizational events, facilitate the enactment of organizational change processes. A change in one aspect impacts another immediately. A major element of change is the application of policies. Implementation is therefore a key concern in the management of change. The inability to get things done and have crucial ideas and decisions implemented is widespread in organizations today. To achieve varied goals, managers need more than fragmentary ad-hoc change programmes dealing only with present challenges. They need change management methods to prepare for upcoming organizational competitive difficulties. Managers must gain knowledge how to build and manage a human group that is proficient of foreseeing the new, capable of changing its vision into technology, products, processes and services, willing and able to agree with the new. Attempts to execute change management have been many and extensive, but the promises made in its name have remained unsatisfied. The secondary source of data generation, which comprises of the use of textbooks written by different authors on the subject matter, journals, magazines, information from the internet and other published and unpublished materials applicable to the work. The study concludes that Managers must gain knowledge how to build and manage a human group that is proficient of foreseeing the new, capable of changing its vision into technology, products, processes and services, willing and able to agree with the new. And all organizations go through change.

Keywords: Change Management, Productivity, Organization, Organizational growth.

INTRODUCTION

Change management is conceptualized as the process of continually renewing an organization's direction, structure and capabilities to serve the changing needs of external and internal customers (Moran and Brightman, 2011). Similarly, Raineri (2011) posits that change management practices relate to a variety of organizational interventions that when executed properly and in consistency with internal and external organizational events, facilitate the enactment of organizational change processes. A change in one aspect impacts another immediately. However, when you do not practice the change management that looks after the future, the future will not look after you. The tendency for successful organizations to fail to innovate is just that: a tendency when too much of interest is been put on current business, it's hard to look ahead. Change projects fail more often from lack of effective change management. Teams that ignore change management cite this as one of the "most important lessons learned" during their project. Teams that use management techniques have reduced turnover and the lobs or valued workers. The truth has been established that management change can be as certain as possible that the environment in which their organization operate and the organization itself will go through many changes overtime.

If managers had control over this factors, one would argue that they keep the same and operate business, but in the case is not so, organizations usually operate in environment over which they had little control. Technology is continuously changing, competitors are trying new things and customers change their

preferences and demand different products (Robbins, 2002). Workers change attitudes towards work that are not fixed and because of things that happen in people's lives outside the work place. Change is unavoidable and managers all over the world are adjusting to the changing market conditions and at the same time facing the need for generating a proactive rather than a responsive managerial system. They are examining for ways to cope with an increasingly complex technology and more refined labor force or teams. To achieve varied goals, managers need more than fragmentary ad-hoc change programmes dealing only with present challenges. They need change management methods to prepare for upcoming organizational competitive difficulties. Managers must gain knowledge how to build and manage a human group that is proficient of foreseeing the new, capable of changing its vision into technology, products, processes and services, willing and able to agree with the new.

Attempts to execute change management have been many and extensive, but the promises made in its name have remained unsatisfied. Influential forces in the environment such as technology, competitors, and regulators amongst others are unceasingly influencing public and private organizations to change permanently present structures, policies, and practices. A major element of change is the application of policies. Implementation is therefore a key concern in the management of change. The inability to get things done and have crucial ideas and decisions implemented is widespread in organizations today. Osisioma (2004) argues that change is the single most important element of successful business management today and as such, it is a fact of life that organization managers should anticipate change in order to remain competitive in increasingly aggressive markets and adopt a positive attitude to it since this is inevitable in the history of any organization. Ignoring or trivializing a changing trend can be costly, thus managing change teaches managers how to be ahead of rivals and it ensures the long-term survival of the organizations. McShane and Glinow (2004) maintain that strategic change implies visionary or transformational change, which is concerned with broad long term and organization wide issues. It focuses on moving the organization to a future desired state and also covers the purpose and mission of the organization. It makes a noticeable impact on the organization, or on the part of the organization undergoing the change.

Statement of The Problem

Organizations usually operate in environment over which they had little control. Technology is continuously changing, competitors are trying new things and customers change their preferences and demand different products (Robbins, 2002). Workers change attitudes towards work that are not fixed and because of things that happen in people's lives outside the work place. When you do not practice the change management that looks after the future, the future will not look after you. The inability to get things done and have crucial ideas and decisions implemented is widespread in organizations today.

There are issues with haphazard change management techniques in these organizations. The top echelons of the firms are suspected of serving only their interest by manipulating relevant change management data. The implications of the above scenario pose a tremendous threat to both the organizations and the nation. To the organizations they will not be able to improve productivity and create needed jobs. On the side of the government, the revenue accruable to the government by non-productive organizations would be missed greatly. Thus, the government's much trumpeted vision of the country joining the league of 20 most industrialized economies come 2023 is gradually turning into a slogan like many others before it such as Housing for All, Water for All, etc. Thus, the study focuses on effects of change management on the productivity of organizations in Nigeria.

Purpose of the Study

The broad purpose of the study is to assess the effects of change management on the productivity of organizations in Nigeria. The following are the specific purpose for the study:

1. To investigate the effect of resistance on the productivity of organizations in Nigeria.
2. To assess the effect of value systems on the productivity of organizations in Nigeria.
3. To evaluate change management on the quality service delivery of organizations in Nigeria.

METHODOLOGY

The paper adopted a singular source of data collection. The secondary source of data generation, which comprises of the use of textbooks written by different authors on the subject matter, magazines, journals, information from the internet and other published and unpublished materials applicable to the work. The data was examined using the content analysis approach. This is because of its major dependence on the secondary source data.

Concept of Change Forms

Radical versus Incremental Change

According to Nadler and Tushman (2000), radical change is a change that have an impact on the whole system of the organization and fundamentally redefine what the organization is or change its basic framework, including strategy, structure, people, processes and (in some cases) core values. Radical change or approach is used to address more fundamental problems especially in some situations, such as after a period of flux or unexpected rapid change in the environment (Johnson and Scholes, 2007).

In the other hand, Incremental change is referred to as changes that happen all the time in organizations, and they need not to be small. Such things as changes in organization structure, the introduction of new technology and significant modifications of personnel practices are all large and significant changes, but usually occur within the existing definition and frame of reference of the organization. Johnson (2008) claims that the incremental approach to change is more common and this type of change is commonly used to maximize short term productivity. The logic behind the incremental view is that the environment is constantly changing and incremental change being a continuous process is the only way to secure the future of the company and improve organizational productivity.

Reactive Versus Proactive Change

Reactive change is characterized as that change implemented in response to some external event and or serious internal operational and managerial problems. Bennis and Thomas (2002), sees reactive change as a change in the organizational policies which is implemented in reaction to the occurrence of an event. This change is initiated due to pressures of external forces. Changes are made in response to a situation and primarily unplanned in nature. Management makes changes to deal with the problem in a quick and routine manner since they do not have time to analyze the situation and prepare a well-conceived plan. The environmental events, various threats and opportunities are reacted to immediately.

Proactive change is that change where the company is not currently experiencing any serious problems but managers anticipate the need for change to put the organization in a better position, or current potential problems. Through this anticipatory approach to change is generally preferable, in practice most organizations tend to take a reactive approach, usually as a consequence of the commonly held view that there is no need for change if current productivity is satisfactory.

Developmental change: According to Costello, (2004) developmental change is an improvement in the old way of doing things, with the aim of doing more or doing better things. The instance of this is when an organization is updating its policies, methods and procedures which have become irrelevant to its operations. Developmental activities include problem solving, training to improve technical expertise, enhancing communication and improving processes.

Transitional change: According to Costello (2004), transitional change occurs when a decision has been made to change what currently exists and to implement something new. it is an implementation of a known state such as rearranging or dismantling old operating methods. This type of change generally occurs over a set of period of time and requires patience on the part of all organizational members. Examples are cases of implementation of new product lines or computerization of the management information system, introduction of new technology among others.

Convergent change: Kanter and Peter (2009), sees convergent change as developmental change because it consist of series of incremental changes. According to them, convergent change focuses on incremental adjustments to environmental innovations and continuous improvement that optimizes an organizational fit in its environment. In essence, organizations that embrace convergent change are better equipped to maintain excellence in productivity and overcome external challenges since it is planned and proactive in approach.

Effects of Managing Change In Organizations

Organizations are conglomerates of dynamic systems that constantly change. The organizational boundaries as well as the boundaries of their internal systems are permeable. Organizations are also complex in several different ways: environmental (variations in the environment outside of the organization), component (number of organizational components and their relations), and hierarchical (number of levels and their relations). Although complexity can't be eliminated, it can be managed. Environmental can be managed complexity by aligning the internal systems to the environmental demands. Marh (2001) suggests that where change is intended in an organization, the effect is that there will be forces acting to facilitate the change, and forces acting to resist the change. A state of equilibrium occurs, which is brought under pressure to change by both internal and external driving forces. When the balance of the forces for and against change is equal, no change will occur. In order to implement change, those forces supporting change have to be strengthened, those resisting change weakened, or both. Udeh and Igwe (2013) states that while change can cause confusion and fear; there are several positive effects it can have on organizational productivity. If handle properly. Understanding the positive effects of change helps to better gauge progress in developing change management policies within the organization. The organization may use change management when implementing policy changes to the management of the organization, production methods or employee policies. The systematic approach to making changes in the organization attempts to transit the employees through the disruption a change can cause. While the system attempts to minimize the negative effects, employees and management can have trouble with the change

The Positive Effects of Managing Change Include

- 1. Competitive Advantage:** The ability for the organization to change helps maintain competitive advantage in the marketplace. For example, if your competition has implemented a new order-entry system that makes the process of doing business easier on the customers, then your ability to adapt to that change and institute your own order-entry changes helps keep you competitive. The ability to institute change quicker and more efficiently than the competitors gives you an advantage that can help you achieve, or maintain, the status of an industry leader.
- 2. Growth:** Organization must experience change to experience growth. Organization can continue to do things the same way for a long period of time. But, at some point, organization's infrastructure needs to change to accommodate a growing customer base and industry changes. New processes, new marketing concepts and improved ways of reaching the target market all require changes within the organization. The organization's ability to facilitate change enables it to grow.
- 3. Employee Confidence:** When organization successfully complete a significant change and the employees see that none of the fears they held regarding change are realized, such organization are paving the way for smoother change in the future. One of the positive effects of efficient change management is that it instills confidence in employees regarding the management's ability to lead the organization and make good business decisions. This not only makes future changes easier, but employee confidence also makes day to day decision-making simpler as well.
- 4. Dynamic:** A corporate culture that embraces change is one that tends to remain dynamic in the marketplace. Because employees are confident that the organization can manage change, new ideas flow more freely. Employees do not feel bound by the current organizational structure because they know the organization can adapt to meet the challenges of the future. A dynamic atmosphere with an openness to change is a productive and forward-thinking workplace.

The Negative Effects of Managing Change Include

- a. Low Employee Morale:** If the organization does not handle change effectively, it can have a detrimental effect on the morale of employees. Low worker morale has a negative effect on productivity, which can cause a financial loss for the organization. Lowered employee morale also results in increased absenteeism and high employee turnover.
- b. Employee Resistance:** Implementing a new policy can result in employee resistance. Employees resist change when there is not a clear understanding of the reason for the change. A lack of knowledge on how it

will affect their work can also cause employees to resist. Workers with personalities that require process and reliability in their work life will find change a difficult adjustment.

.c. Lack of Support and Failure: A lack of support for change management can cause new policies and processes to fail. Employees and management must be on board with the change process for success. The system will fail if employees do not use the new system or policy and management does not enforce the change. Before a organization begins the change process, it is vital that management and employees support the decision and make a commitment to the new policy or process.

b. Expense: Handling a change in the organization effectively can take time, which can result in cost of production and expense. The change process requires training and communication to employees affected by the change. For example, implementing a new continuous improvement system in an organization requires training for all employees in the tools, methods and processes the new system needs for success.

Approaches and Tools of Change Management In Organizations

Much of the change management literature continues to reflect a mechanistic view of organization and management, with an expectation of relatively straightforward cause and effect relationships between the factors that stimulate change, the change initiatives or interventions undertaken in response to those stimuli, and outcomes that will result from those initiatives. Recently, particularly in discussion about the challenges posed by disruptive changes in technology and the external environment and organizations that diverge from the dominant hierarchical bureaucratic form, there is growing debate about the ability of logical, empirical analysis to provide the insight and creative response needed for successful transition or transformation.

Critics have suggested that the change management literature has been subject to fads and hyperbole, reaching “evangelical proportions” of advocacy for change management strategies such as business process re-engineering and total quality management while failing to incorporate sound principles of organizational design. Reflecting the sustained interest in organizational change and change management, a wide variety of tools have been developed to both initiate and manage organizational change and to control and direct change caused by unplanned disruptions. Many of the most popular tools are focused on achieving quality improvements addressing employee concerns; and enhancing flexibility by changing organizational structure, processes, people, and/or culture. The choice of approach or tool depends upon the organization’s nature, resources and problems must be tailored to the specific contest and organization. Andrews (2008) states the following as approaches and tools for organizational change and improvement that are used in change management:

1. Backward Mapping: Start with the end in mind, working backward from the desired end state to identify pathways to success.

2. Balanced Scorecard: Ensure well-rounded performance, especially from managers, by designing an evaluation that takes into account the perspective of clients/customers, manager, peer, and subordinate on four dimensions: customer service, internal business processes, learning and growth, and financials.

CONCLUSION

The study concludes that, to achieve varied goals, managers need more than fragmentary ad-hoc change programmes dealing only with present challenges. They need change management methods to prepare for upcoming organizational competitive difficulties. Managers must gain knowledge how to build and manage a human group that is proficient of foreseeing the new, capable of changing its vision into technology, products, processes and services, willing and able to agree with the new. All organizations go through change. Some organization’s productivity opts to change to take advantage of new growth and opportunities; other organizations are forced to quickly change to survive and remain competitive for better productivity. Productivity symbolized by growth rate of revenue, financial strength return on equity, return on assets and profitability.

RECOMMENDATIONS

Based on the findings of this study, the following recommendations were made:

1. Workers should be properly trained on change programmes and should be educated on the reasons for change.
2. To avoid resistance to change, appropriate change strategies should be put in place by change managers
3. Organizations should invest more in self building and self sustainability as a caution for these disruptive change which in some cases work to the advantage of the organization that exploits it
4. Nigerian government at all levels should continue to create conducive environment for implementation of change in organizations.
5. Organization in the industry should take cognizance of their environment via scanning as this is the only way by which pressure on it can be reduced during change.

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