Impact of Organisational Change Towards Employees Behaviour in Government Financial Institutions

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Abstract

This study applying change management affects employees by making them feel considered and respected, which supports them while coping with change and resistance. This requires change management practitioners to understand, relate and mitigate potential stress and fears arising in an employee, some may disagree with the direction the company is going, while others may think that changes are detrimental to the work they have already done. Employees may lose faith in the company Readiness to Change during times of organizational change because they don't fully believe in the plan the purpose of this case study was to explore the impact of the organizational change on employee behavior and performance in the Organizational change is the process in which firms renews itself continuously by redefining their dynamic capacity and their strategic position for optimizing their performance in a perfect situation as well in reaction to the development in its external and internal environment. For this research work public sector employees from financial sector are respondents. The researchers have analyzed by conducting interviews with the officials of the companies.

Keywords:- Organizational Change, Readiness to Change, Employee Behaviour and Change Management.

1.1 Introduction

Implementing new technology often requires changes in processes or procedures. To work remotely, employees need to be able to access the tools and resources they need from anywhere. This includes having access to a computer and the internet, as well as any necessary software or files. Make sure employees have training on the new technology Change management ensures all technology changes work smoothly and efficiently. The risks of change include things like loss of revenue, loss of jobs, or even bankruptcy. The benefits of change include things like increased efficiency, improved customer service, or increased profits. It is important to weigh the risks and benefits of change carefully before making a decision.

1.2 Definition

According to Stavros et al (2016), employees will start to experience nervousness, stress, and lack of self-confidence when organizational changes occur like downsizing as well as restructuring. Although change is just a process, there is a need to address it, since change is hard to be accepted by the employees. Burke, (2017) reiterates that most people are resistant to change and therefore when change begins to occur, leaders can have an opportunity to lead and inspire the employees and head the organization in a new direction, provided it is in harmony with the employees' important values.

Mone & London (2018) theorize that organizational change tends to bring impact employees' performance and behavior primarily due to their different views towards the anticipated changes. Hence, it is essential to undertake this inquiry, to investigate the impact of organizational change on Employee Behaviour and behavior.

1.3 Types Of Change Management

1. Top-Down Change

The top levels of the organization start the change initiative and then it spreads down to the lower levels. This type of change can be effective in ensuring that all employees are on board with the changes and that everyone understands the company's new direction.

However, top-down change management may lead to resistance from employees who feel they have no input in the decision-making process.

2. Bottom-Up Change

The bottom levels of the organization start to propose changes. Bottom-up change is more participative and can often lead to greater employee buy-in. However, it can also be more difficult to implement and may take longer to achieve results.

The use of change management will depend on the specific situation and what is most likely to be successful to achieve the change.

1.4 The Change Management Process

Change management is the process of planning, implementing, and monitoring changes to the business. It includes identifying the need for change, assessing the risks and benefits of change, developing a change plan, implementing the change plan, and monitoring the change.

The change management process helps ensure changes are running in a safe and controlled way. It also helps to ensure that the changes are beneficial to the organization and that they don't have any negative consequences.

The change process is a little more complicated than just getting rid of old habits. It typically involves the following steps:

1. Establishing the Need for Change

This step involves identifying a problem or opportunity that needs to be addressed. The problem or opportunity might be identified by senior leaders within the organization, by employees, or by outside stakeholders.

2. Assessing the Risks and Benefits of Change

To change in a safe and controlled way, it is important to assess the risks and benefits of change. This involves looking at the potential risks and benefits of making a change and weighing them against each other.

The risks of change include things like loss of revenue, loss of jobs, or even bankruptcy. The benefits of change include things like increased efficiency, improved customer service, or increased profits.

It is important to weigh the risks and benefits of change carefully before making a decision. This will help to ensure that the changes are beneficial to the organization.

3. Developing a Change Management Plan

The change management team will develop a change plan once it is clear that a change is needed. They will identify the risks and benefits of the change and then create a plan, including what the change will be when it will happen, what resources are needed, and how it will be carried out.

The change plan should be tailored to the specific situation and should take into account the available resources. The timeframe should be realistic to achieve the goal. The change plan should also identify who will be responsible for each stage of the change process. This will help to ensure that everyone knows their role and responsibilities. All parties involved get all the information about the change plan. This includes employees, suppliers, customers, and other stakeholders.

4. Implementing the Change Plan

The implementation stage is when the plan starts to take shape. This means gathering data, analyzing results, and making decisions based on what you find out about your employees' needs as well as how they interact with one another for them all to be successful at work every day! This

typically involves putting the change in place and monitoring how it is working.

The change process will continue even after the changes' implementation. This includes monitoring the change over time and making changes if necessary.

5. Monitoring the Change

Once a change has been made, it is important to keep an eye on the situation and make any necessary adjustments. This includes tracking things like revenue, profits, customer satisfaction, and employee satisfaction.

Managing change quickly and effectively can help organizations avoid any negative impacts on their productivity or operations after the changes' implementation.

The change management process ensures that the implementation of changes is working in a safe and controlled way. It also helps to ensure that the changes are beneficial to the organization and that they don't have any negative consequences.

2.1 Review Of Literature

Organizational change is any initiative or set of actions resulting in a shift in direction or progression that affects the way an organization operates (Leavitt, 2003). Change is the process of becoming different. It can be on purpose and intended by the management within the organization, or change can originate external to the organization and beyond its control. Karanja (2015) argues that change can affect the strategies an organization adopts to carry out its mission, strategy implementation, tasks and functions performed by the people within the organization, as well as the relationships between those people. Chun-Fang (2010) asserts that change is a fact of organizational existence. Therefore, he argues that an organization that does not change cannot survive in the contemporary business environment. Many factors can make organizational change necessary, including evolving competition in the market or new customer demands. According to Vermeulen et al., (2012), when organizational change is well deliberate it helps assure the organization's continued survival. It can produce several benefits, including enhanced competitiveness, improved financial performance, and higher customer and employee satisfaction. Bai and Zhou (2014) suggest that unless organizations recognize that change may give rise to stressful reactions among employees, and as such implement internal organizational measures and conditions that are necessary for effective coping to occur, most change efforts will fail. Imberman (2009) asserts that organizational changes are necessary to ensure that organizational strategies remain feasible. Continuing organizational changes are increasingly becoming the norm in the workplace, ensuring opportunities for growth and development.

3.1 Research MethodologyResearch Design

A research design is the arrangement of the conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure Research design is purely and simply the framework or plan for a study that guides the collection and analysis of the data. The research design indicates the methods of research i.e., the method of gathering information and the method of sampling.

Statement Of The Problem

To examine the impact of Organizational change variables such as Readiness to Change, Organizational Change, Employee Development, Commitment to Change, and Change Management and its effect on Employee Behaviour particularly in government financial institutions. This research, therefore, helps to improve the understanding of organizational change and its possible effects, especially in the government financial institutions sector.

Objectives Of The Study

1. The goals of organizational change are multi-faceted however the major ones are improving the organization's emergence, crisis intervention and to overcome day to day hauling competition.

Employee Behaviour is vital for the success of every organization and profitability inthis dynamic environment.

2. A leader is one whose behavior guides people towards their goal achievement. Readiness to Change influences managers, employees of the organization, and the organization's performance with goal achievement.

3. Organizational Change is a process through which information, ideas, and knowledge can be exchanged.

4. There are many ways through which the Organizational Change process can be delivered as writing, print, or electronic media and through speech. It is a tool by which people can communicate with each other.

5. The process of employee development plays a vital role in developing or let losing employees through training and organizational development to increase their performance.

Scope Of The Study

This research helps to provide an overview of organizational change and its possible impact on employees" performance in the government financial institutions sector. This study examined the relationship of independent variables on dependent variables. This paper presents a clear picture of the factors of organizational change and the relevant consequences on employees "performance in the government financial institutions sector. The scope of this research paper is broad enough to address maximum aspects regarding Employee Behaviour. Consequently, this research focuses on the most influential factors regarding employees" performance in the government financial institutions sector.

Limitations Of The Study

The concept of organizational change comes from the nature and environment of the organizations.

The change means a series of events that supports the process of development in organizations.

Organizational change generally means rightsizing, new development, change in technologies, rescheduling operations, and major partnerships.

The factors must be considered in the process of organizational change to alter theirway of business for organizational growth.

Data Collection
Primary Data:

Primary data are those which are new and original. These data are the first-hand information generated to achieve the purpose of the research.

Secondary Data:

Secondary data are those data that are not new and original. These data are obtained from published or unpublished sources. In this study, primary data were collected by conducting direct structured interviews using a questionnaire. All the employees were asked the same questions in the same form and they were informed of the purpose of the study.

Research Instrument:

The data were collected by using a questionnaire as a research instrument.

About the Questionnaire:

To systematically collect the primary data, a questionnaire is used. A questionnaire is a schedule consisting of several coherent questions related to the assorted aspects of the topic underthis study. Therefore, the data required for the study was collected through a questionnaire.

The Data collected through such filled-in questionnaires have been used for further analysis.

Sampling Plan:

The sampling plan is to be decided about the sampling unit, sample size, and sampling method. The survey was conducted on the productivity of the organization. In this, nearly 540 employees are working. For this study, 252 employees were been selected. For this study, the samples were drawn using convenience sample or non-probability sampling method where units are selected for inclusion in the sample because they are the easiest for the researcher to access. The sample size of the study was selected from the sampling unit. The total estimated sample size is 252.

Analysis:

Analysis was done on the data collected and the results were tabulated usingStatistical Package for Social Science (SPSS).

Analysis of the Data:

"Analysis of data involves several closely related operations that are performed to summarize the collected data and organize these in such a manner that they will yield the answer to the research questions or suggest hypothesis had initiated the study". For this study, the data collected through questionnaires have been tabulated. By using the statistical tools, the data have been analyzed. Interpretations have been drawn based on the analysis. The findings are observations are the result and outcome of the interpretations made during analysis.

Statistical Tools Applied:

Social research invariably necessitates the use of statistical analysis. Several statistical tools are used to present the result in brief language and the complex and complicated problems can be studied in a very simple way. It is useful to reduce the complex data in the form of tables.

There are several methods used for the analysis of data, nowadays sophisticated computerized statistical packages like SPSS, MS-Excel, and others are available for data analysis. In this researcher have preferred SPSS statistical packages.

i. Frequency   &   ii. Correlations

4.1 Data Analysis Interpretation

Gender

Gender	Frequency	Percent
Male	103	70.2
Female	75	29.8
Total	252	100

Source: Primary Data

In this survey, female respondents are 29.76% or 75, and male respondents are 70.23% or 177 which is the highest percentage in this survey for females.

Marital Status

Marital Status	Frequency	Percent
Single	103	40.9
Married	149	40.9
Total	252	100

Source: Primary Data

According to this table for marital status, married and unmarried respondent's showsthat 59.1% are married which is the highest response rate, and single respondents are 40.9%.

Age

Age	Frequency	Percent
Below 25	38	15.1
26-30	106	42.1
30 31	62	24.1
Above 35	46	18.3
Total	252	100

Source: Primary Data

The age range below 25 shows 15.1% or 38 which is the lowest percentage ofrespondents, age between 26-30 is 42.1% or 106 which is the highest percentage of respondent

Education

Education	Frequency	Percent
Bachelor	58	23.0
Master	182	72.2
M.Phil.,	9	3.6
Others	3	1.2
Total	252	100

Source: Primary Data

According to this table, 72.2% is the highest percentage under master level, the second highest percentage in qualification is a bachelor and 1.12% is the lowest percentage in others qualification.

Work Experience

Work Experience	Frequency	Percent
0-3	101	40.1
4-6	71	28.2
7-9	41	16.3
10-12	25	9.9
Above 12	14	5.6
Total	252	100

Source: Primary Data

Work experience from 0-3 years is 40.1% of 101 respondents which is the highest percentage, above 12 years work experience respondents are 5.6% or 14 which is the lowest percentage of respondents working in Government financial.

Descriptive Statistics

	Mean	Standard Deviation
Organizational Change	3.78	.638
Readiness to Change	3.68	.692
Commitment to Change	3.57	.749
Employee Development	3.72	.672
Change Management	3.85	.584
Employee Behaviour	3.82	.726

Source: Primary Data

The above table shows that the average and standard deviation of the predictor variables are described as Organizational Change (μ=3.78, Sd=0.638), Readiness to Change (μ=3.68, Sd=0.692), Commitment to Change (μ=3.57, Sd=0.749), Employee development (μ=3.72, Sd=0.672), Change Management (μ=3.85, Sd=0.584), Criterion variable (Employee Behavior) has a mean 3.82 and standard deviation 0.726.

Correlations between Organizational Change Factors and Employee Behavior

Organizational Change	1					
Readiness to Change	0.671	1				
Commitment to Change	0.565	0.705	1			
Employee Development	0.608	0.694	0.698	1		

| Change Management | 0.563 | 0.560 | 0.421 | 0.481 | 1 | |
| Employee Behaviour | 0.389 | 0.408 | 0.421 | 0.362 | 0.579 | 1 |

Source: Primary Data

The relationship between organizational change and employee behavior shows that the p-value is 0.000 which is less than a significant level (p < 0 .01). it shows that h0 is rejected and hence h1 is accepted. Therefore, there is a positive relationship between organizational change and employee behavior. Pearson's correlation analysis shows the (r- value) is 0.389 or 38.9%, which falls in the range of 0.3 to 0.7 and has a moderate effect. this shows that there is a positive relationship between organizational change and employee behavior in other words increasing organizational change will simultaneously increase employee behavior. Readiness to change has a positive relationship with employee behavior. correlation analysis shows the (r-value) is 0.408 or 40.8%, which falls in the range of 0.3 to 0.7 and has a moderate effect. Commitment to change has a positive relationship with employee behavior having a weak relationship. In addition, the relationship between employee development and employee behavior is positive and their effect is moderate. furthermore, the table, shows that the relationship between change management and employee behavior is positive and their effect is moderate.

Findings

The results of the study showed no significant relationship between place of living and organizational change. These results are supportive of numerous studies indicating a non-existent relationship between these two variables. Taking the observed involvement- the place of living in a relationship in the study, it seems that the absence of any such relationship might be due to the relatively lesser variations in place of living in the sample studied since all of the respondents belonged to managerial cadre and incumbents in these jobs were organization required to have relevant tertiary qualifications.

Suggestions

The organizational change must increase the government financial institutions among employees to increase the relationship among the employee in every department. Managers can conduct outdoor activities or team building activities and must be participated by all employees in the organizations. Align with that, the relationship between employer and employees also can be improved. The finding reveals the essential of creating the give and takes environment whereby to maintain a good relationship, both parties must complement, appreciate and reciprocate with each other. Practically, if the employer wants the employees to be committed to the organization, the employer should give the full attention and emphasize the quality of organizational change among their employees.

Conclusion

In this research paper an investigation of Organizational change in the direction of employee overall performance in government monetary establishments used to be conducted. This study explored the relationship between Employee overall performance and numerous factors of Organizational exchange such as Organizational Change, Readiness to Change, Commitment to Change, Employee Development, and Change Management. The consequences of the evaluation indicate that the strongest influential component towards worker overall performance in government economic establishments is tolerance to alternate while the lowest influential element affecting the worker performance in government monetary institutions is Commitment to Change. Consequently, understanding all the elements that affect Employee Behaviour will assist the organization to discover and improve Employee Behaviour.

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