

## **Organisational Changes Perceived as Difficult Situations: Suggestions to Consider**

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### ***1. Introduction***

The changes connected with globalization, which are taking place all over the world, as well as technological development bring new challenges towards economic organizations. That, in turn, 'constrains' managers to taking up a new managing philosophy, which also forces significant changes in the way of leading and motivating their reports. Nowadays, it is insufficient to abide by the old rules as every kind of changes in approach to the management of human resources causes the manager's work undergo a constant evolution. A manager or an executive has to indicate numerous talents. An effective manager implements the companies' tasks and ensures the employees' satisfaction. In a convincing way he can explain the aim and engage them to work. He takes care of an efficient information flow. Also, he can forecast and solve any conflicts in the team. He appreciates his employees' actions and makes them feel important and necessary. He applies techniques and tools of motivating, accurately personalized to the employees needs, which encourage and stimulate their actions and approval of changes (Potocki 2005, p.230-240). In practice, it means more thorough perceiving of an authentic, non anonymous employee, his human dignity and consequently the pursuit of improving his life at work as well as outside it. This, in turn, requires from the executives a greater orientation on cooperation and division of responsibility, the employment of a new approach and making use of the manager's new abilities as a facilitator – a person who knows the process of the changes well and by means of observation and appropriate actions helps the group to get through difficult situations. At the same time, he supports the relations among team members in a discreet and adequate way and additionally, assists solving various problems. A manager should not understate the role of immaterial instruments in the process of motivating the employees, which simultaneously generate possibilities of sharing knowledge, also in the subject of introduced innovations.

The aims of the present publication are: the emphasis on manager's role in the process of implementing changes; applying of the new approach to employees compliant with the modern concept of managing human resources; the acknowledgement of material and immaterial tools in the motivating system.

### ***2. Organizational change as a difficult situation***

Dynamics of circumstances enforce applying innovations, which help companies to adapt to new conditions. It also concerns the whole area of managing human resources, usually associated with taking actions to use people's knowledge and skills better. And this relates to implementation of innovative solutions in technology and management methods (Jak wdrażać .... 2005, p.8). Unfortunately, applying innovations doesn't always lead to desired effect and the process can result in failure for the company and its employees. While changes are being introduced managers must take into consideration various obstacles and also that employees may have no appreciation of changes needed. One of the first stages in introduction of changes is getting employees' approval. It appears that resistance to changes is found mainly in the social subsystem of a company that is in psychological qualities of organization participants; in their interactions. In a way, resistance to changes expresses psychological state of the employees. The way they react to adjustments to the existing situation determines the results of planned transformation and can make realization of intended objectives very difficult. Most often employees' reluctance is expressed in taking actions to obstruct introduction of changes; active or passive resistance then occurs and is demonstrated as abandonment of any activity that can contribute to introduction of a change.

The main reason for that is perhaps employee's reduced sense of security. For example, the whole organization structure of the company provides framework for its employees; it is easier to define one's position. High sense of security leads to inertia and opposition to changes since organization tends to follow usual, confirmed by experience routine. The tendency to avoid incidents that can upset established order is therefore not surprising. Employees defend themselves from changes by protecting one's assigned territory and make it to the smallest extent a subject to disturbance. There are many reasons for both active and passive resistance. One of the reasons is uncertainty which causes anxiety whether I am able to deal with the new situation, since it possibly means new responsibility, necessity to improve qualifications, or a threat to personal matters. But the other reason can be incomprehension of the essence of changes or its grounds. The managers should therefore identify this situation and take actions to minimize resistance. In order to make efficient action possible it is necessary to cooperate in solving problems. This process is undoubtedly laborious and requires certain knowledge of managers (methodology of good conduct of the process) in order to avoid mistakes that can seriously concern people. There are certainly many who accept challenges boldly and with calm, making the most of the opportunity that changes can create. They see the changes as a chance to get higher qualifications or learn new methods of work or management. One shouldn't forget though about those that in some ways question possible results of any modifications. In this group conservative attitude can be found relatively quickly. This is a problem especially among people with long record of work. It is however important to keep in mind that individuals can react to changes differently regardless of one's age. People resist changes all their lives and it is clear that they act alike in the field of work. It is well known from experience, that when employees expect radical changes in conditions or means of work, the resistance is inevitable. (Ścibiorek 2001, p.88-91)

### **2.1. Stages of the introduction of changes**

People live and work in specified conditions and in specified organizational and cultural milieu, so their behaviour is a result of many complex factors that form individual personality. That is why the study of management since long ago attempts to pursue the question of man - worker's personality. This knowledge is essential for company managers, especially when introducing changes or various novelties. As it has already been mentioned even the smallest changes can cause problems, because it is not enough to demand from an employee to 'accept changes' and then supervise its implementation. Such conduct does not meet with approval and it can even create opposition caused by inappropriate introduction of changes, and above all by the lack of information about innovation itself and benefits for both the employer and employee. It is important to remember that in the process of changes introduction new situations at work usually require previous information about it. Objective of change, methods of its implementation and expected consequences should be in this information. Crucial moments, such as reluctance to changes, stress, conflicts and disagreement, most often occur in the initial stage. Before the start of the process realization it is therefore important to convince workers that they will be able to deal with new situation and above all ensure them that changes will be profitable. Authors of advices on effective changes realization instruct that knowledge about the process, what can raise difficulties in initial stage and what can lead to beneficial results in the future, can highly facilitate the process (Ścibiorek 2005, p.92).

Beer reckons that a change ought to be introduced in subsequent stages.

Stage one – joint analysis of the problems.

Stage two – creating a vision of what is going to be improved.

Stage three – crystallization of changes and detailed solutions planning.

Stage four – giving an impulse to take actions (that are not imposed).

Stage five - active consulting and training.

Stage six and the last – introduction of the change and supervision of its execution.

Following presented procedure will enhance probability of its successful implementation (Maksymowska 2011, p.3). One should however take into account difficulties which are integral elements of the process and which above all consider people. That is way the role of managers and their attitude towards workers is so important in the process.

### 3. *Present-day models of human resource management*

Currently, human resources are managed not only on operational, but also on strategic level. It means that decisions taken will have far-reaching significance for the development of a company (Armstrong 2000, p.56), so human capital is considered to be a valuable asset. Present-day management of organizational assets, including among others knowledge, qualifications and motivation of the personnel, is very different from traditional. This is the reason why there are continuous attempts at search for new frames of human resources management suitable for changeable needs of organizations. Such pursuits are expressed in human resources management trend which promotes the model of human capital (the end of XX, the beginning of XXI century) connected with a stereotype of human learning and sharing his knowledge with others (Gableta 2009, p.24). This model requires different methods and means in every area of management, i.e. changes in organizational structure and fixed range of duties, personal attitude to worker, changes in management practice (demanding, inspiring manager that encourages to share knowledge with each other and is good at motivating instead of commanding and forbidding controller – supervisor). It requires a manager – strategist who knows that proper workers' management gives competitive advantage of the organization.

It is therefore right to assume that managers face a great challenge. They should above all make changes in the whole company management process, to ensure that its participants are able to make decisions and solve problems together and design strategic projects. Keeping in mind that throughout the process people are the most important and company's success depends on their attitude towards changes occurring.

The above leads to conclusion that every employee has particular ways of conduct, both desirable and undesirable, and the company's task is to create conditions that help to take advantage of the desirable ones. It is then not just workforce productivity but the above philosophy of a company that may have an impact on its outcome. This calls for appropriate qualification, motivation, commitment and attitude. Here one needs to emphasize the role of personal manager who takes proper actions to create changes – thus creating future. A manager who should not neglect motivational factors that take into consideration a broadly defined system of training in development of knowledge and information sharing skills, and who can indicate benefits of introduction of changes.

### 4. *Motivating as an important tool for introduction of changes control*

Both theory and practice show a well designed motivating system to be without doubt an important element in human resources management, especially when implementation of the present-day idea of knowledge management takes place. System of motivating is usually defined as an influence on workers that meets their needs in the way that stimulates professional activity the most. Briefly it is the process of influence on motivation variable in the working process. In reference books the following motivation types are specified (Armstrong 2000, p.109; Reykowski 1975, p 58-59).

**Intrinsic motivation** refers to impulses that emerge automatically and make people act in specific way. The impulses can include responsibility, discretion, chance to use and develop one's skills, interesting and challenging work. People themselves can feel motivated to look for, find and execute the task that satisfy their needs or at least allow to hope their objectives will be achieved.

**Extrinsic motivation** refers to stimulation to meet objectives that have indirect utility for an individual, by giving rewards (a pay rise, gratification, praise) or punishment (pay reduction, criticism). To *strengthen extrinsic motivation* such actions may be taken as; connection of an employee to a given group or team, promotion or appointing to prestigious positions.

**Positive motivation** is stimulated by creating conditions that will help to reach higher level of satisfaction of needs (i.e. through positive motivational influence - motivators), e.g. giving an employee the hope for a higher salary, provided that he completes his task better. Motivation is positive when an individual is aware of prospects for greater satisfaction of needs, the rise of self-esteem, interesting experiences, fulfilling an assignment well or getting hold of information to enable introduction of innovative solutions. Motivating through generating positive emotions like hope, joy, curiosity leads to fruitful results. People appreciated in the workplace are usually firmly bonded with their job and their organization.

**Negative motivation** is influenced by conditions that are a threat to someone's achievements. These conditions are called negative motivational influence- demotivators. Threat to lose one's salary in case the task isn't complete or is complete incorrectly is an example of such activity. A root of motivation like this is fear that results in withdrawal in case of any serious difficulties or failures. Negative motivation can also inspire an excessive caution what can be expressed in lack of initiative and negative attitude towards innovations. It causes aversion, discontent and hostility. The use of negative motivation can have an adverse effect, especially when demotivators are not balanced with motivators.

Motivating is a process of influence on motivation. In other words it affects human attitude and behaviour by means of certain stimuli that are transformed into motives of activity. Motivating to work is based on a use of diverse tools and instruments of influence to make workers follow directions given by managers (Armstrong 2000, p. 211)

In organizational context motivating occurs in motivational system that consists of different stimulation tools (impulses, means, conditions). Their goal is to encourage employees to become more committed to work and functions in the most beneficial and self-satisfying way. The process of motivating is inseparably related to work of managers/supervisors of all levels. It involves a set of undertakings to modify employees' behaviour and use their skills and knowledge efficiently. Effective motivating is based on satisfying workers' needs and expectations and on individual approach to them (Kopertyńska 2009, p.20). Similar definition of motivating is given by Haber, who thinks it lies in manager's personal approach to an employee, in investigating his hierarchy of needs and expectations, in providing proper conditions of work and in the best possible choice of management, what can make his performance a foundation of company's objectives achievement (Haber 1998, p.4).

Motivating plays therefore an important role in the section of supervisor's job that is connected with cooperation with those who can help to reach assumed objectives (Penc 1996, p.11). Hence the assumption that supervisors, in order to perform their duties well, ought to have knowledge of the factors that encourage employees to take proper actions in the workplace. It means they should recognize and comprehend workers' objectives and expectations. They should also know the widest possible range of means of motivation taking into account conditions of their efficient use (Borkowska 1985, p.11). While changes are introduced process of motivating requires flexibility, because the importance of any means of motivation can change depending on company's growth, society, individuals and especially current processes in motion.

Practice proves that a present-day motivating of workers is not an easy task. It requires ground knowledge and certain predispositions. Humans used to think of work as a duty that is a result of necessity to satisfy basic needs. In time as men, tools of work and stored goods were developing, the needs became more diverse. Perception of an employee to be only a task performer did not always lead to predicted results. The need arose to take into account psychological and social aspects in human commitment in work process. That observation led to conclusion, that an individual gets involved in work and makes an effort not always and not just because of means of livelihood. Changes are also seen in employers' expectations from employees. There is a call for inner motivation to achieve objectives, good adaptation or ability to solve problems.

Today it is recommended that the structure of motivating system in the company should be the effect of cooperation with its employees. Researches also show that motivating system ought to contain both tangible and intangible tools of motivating. The problem lies mainly in choice of motivating tools and factors that compose the system. It should also be pointed out, that there is no universal system of motivating. Still, the following main conditions that every system should fulfil are quoted (Kozioł 2000, p.75):

- appreciation in the system structure of the significance of individual objectives, ambitions, workers' hierarchy of values, in order to make them consistent with goals of the whole organization
- individualization of means and methods of influence on employees, i.e. proper selection in accordance with personal qualities, system of values and employees' experience in motivating
- parallel use of various ways to inspire employees, what means wider use of internal mechanisms of motivation
- creating a situation, when employees co-decide

In addition to the above rules, there should also be considered the potential and conditions of company's operation

- especially its strategy, and how the system copes with the situation in the job market. Besides it is necessary to keep in mind another major factor – time. As time goes by, motivating system is becoming outdated because of changes in its surroundings. So it is crucial to keep improving it. One should also remember that there is a different approach in motivating to the employees who produce creative solutions, and to those who are mainly expected to precisely follow procedures and instructions (Tyborowska 1999, p.11).

### 5. Estimation of tools of motivating efficiency. Own survey

One of the goals of conducted survey was estimation of motivating systems in examined companies. In particular it relates to employees' commitment to changes, to creating knowledge in organization, to development and sharing of this knowledge<sup>1</sup>.

The author wants to mention, that presented survey is not fully representative, but it demonstrates practices common in examined sector.

#### 5.1. Estimation of tools of motivating in examined companies

People questioned estimated motivating system in company they work for, taking into account 17 aspects, showing how frequently they are considered (1 – rarely, 2 – often, 3 – very often). The figures indicated are presented in tab.5

**Tab 5. Frequency of tools of motivating used in micro, small and medium-sized enterprises**

Tools of motivating	Frequency of indication ( % )								
	micro			small			medium-sized		
	1	2	3	1	2	3	1	2	3
Volume of salary	60	33	7	55	40	4	26	58	16
Professional development opportunity	75	25	-	49	45	6	28	55,5	16,5
Good interpersonal relations in groups	5	30	65	15,5	49,5	35	40	48	12
Promotion opportunity	77,5	15	2,5	65	29	6	25	48	27
Creativity awarding	65	35	-	35	59	6	38	53,5	8,5
Discretion ( independence )	50	35	15	57,5	30	12,5	23,5	59	37,5
Manners of communication	60	30	10	47	33	20	30	54	16
Participation in management	75	15	10	70	28	2	57,5	28	14,5
Opportunity to perform difficult tasks	60	28	12	47,5	40	12,5	35	49,5	15,5
Supervisors' recognition	50	39	11	47	42	11	39,5	48,5	12
Flexible hours of work	95	5	-	80	20	-	42	42	16
Ability to reconcile work with personal life	46	39	15	45	30	25	35	35	30
Climate of creativity	40	35	25	47	38	15	28,5	43,5	28
System of work ( teamwork )	45	30	25	36,5	47,5	16	29	55	16
Physical comfort of work	55	35	10	39	41	20	25	75	-
IT systems and tools	76,5	16	7,5	57,5	32,5	10	16,5	59	24,5
Employment security	30	45	25	28	42	30	47	43	10

Source: Own survey

<sup>1</sup>Survey conducted on the sample target of 600 respondents (1/3 in each group). Majority of enterprises are run in the Kujavian-Pomeranian District or neighbouring in Poland. Survey was carried out between Feb. and Oct. 2011.

The results of the survey show that in examined aspects systems of motivating are hardly effective, what is pointed in the indication *rarely*.

Comparative analysis of indications in each group shows, that operating systems of motivating noticeably differ, in particular in such aspects as professional development opportunity, promotion, creativity awarding, participation in management, flexible working hours and salary.

But the greatest differences are noticed in the aspect of IT systems and tools that improve knowledge and information flow, what is a necessity in modern management.

Undoubtedly, one of the reasons for such rare IT use is the high price of software and hardware. And the fact that employees in medium-sized enterprises can more often count on higher salary is probably a result of greater scope to manoeuvre the tool of work. Usually in bigger enterprises payment systems are more diverse and contain more components than the systems in smaller companies. Perhaps there is a similar situation in case of promotion; it isn't a very popular tool of motivating in micro and small enterprises. Remaining reasons, like organisation of work or employees' training are less justified, considering the possible help from EU programmes (often offering free training). In the case of system of work (especially autonomy) is likewise; it does not 'cost', but guarantees full discretion, and creates better opportunities and creative thinking.

The above data lead to conclusion, that in examined companies conditions conducive to changes are not created. The lack of impulses to stimulate intrinsic motivation, like responsibility, discretion, opportunity to use and develop abilities, interesting and challenging work, certainly does not encourage to welcome novelty. It is similar in the case of extrinsic positive motivation that gives indirect utility to an individual by rewarding (a pay rise or connection of an employee to a given group or team, promotion, appointing to prestigious positions). It is assumed that employees accept changes once they are aware of prospects for e.g. greater satisfaction of needs, the rise of self-esteem, interesting experiences, getting hold of information to enable introduction of innovative solutions.

The lack of prospects generates negative emotions in the same way as threat to lose a job or salary in case of inability or fear of changes. This situation can lead to reaction of withdrawal in case of difficulties or failures, or inspire an excessive caution and negative attitude towards innovations. It has been proven, that negative motivation tends to reach high intensity quite quickly. Consequently, an individual under the influence of such motivation is getting disorganized, especially when performing new, difficult and unknown operations. Negative motivation causes aversion, discontent and hostility. People, who generally work under the influence of negative motivators, feel dissatisfaction with work and are prepared to react aggressively and cause disagreement to a larger extent.

## ***6. Propositions to consider***

Both the study of reference books and the practical experience indicate that managers have many ways of motivating employees to accept changes. A few of many are presented below.

**Assignment teams building.** Denny defines teamwork as 'a common exertion, an organised cooperation' (Denny 2004, p.29). He explains that team efficiency comes from the fact, that a physical presence of others stimulates individual motivation that in its optimum acts like an impulse to face the challenge. It is therefore easy to notice that the skill to create teams has its roots in understanding of men, recognition of their needs, differences between them, and individual work contribution. The role of managers is, on the other hand, to release energy of team members and channel it into finding solutions to common problems. They also ought to deflect employees' attention from petty failures that are likely to occur as changes are implemented.

In organising work of any team, there should of course be taken into consideration that effect of working together is not always the same. For some people cooperation is beneficial, for others clearly detrimental. None the less, from sociological point of view, participation in teamwork is motivating and responds to the need for affiliation. It is a consolidating factor, something that an individual can rely on. However, to make the teamwork more efficient, certain indication must be taken into account, i.e. constructive atmosphere, clear role assignment, effective work methods, team members' commitment and loyalty towards the team.

**Creation of atmosphere.** People's behaviour in organisations is the effect of existing work atmosphere, standards of spending free time, celebrating etc. These standards should be common for all the staff and everyone should adhere to them. This is not always the case, despite the sense that all have the same interest. Some activities do not promote effectiveness. Growth of sense of lack of understanding, shortage of clarity and cohesion of objectives, disregard for employees' remarks, obstruction of the flow of information (no feedback), can cause uncoordinated actions, lack of identification and restraint of initiative. This situation can lead to frustration and general reluctance to work and consequently team's disintegration. Hence, the importance of observing dangers in the field of employees' interactions. It is recommended to inspect the climate in the company from time to time.

**Organizational culture.** Decision on involvement in the process of changes is not solely an individual act of each organisation member. In uncertainty, when social reality to a large degree creates objective reality, it is the group factors that lead to inclination to involvement. Instigation of changes is not possible without its connection with organizational culture interpreted as a set of assumptions, values and standards. Specific climate of organizational culture induces certain behaviour and way of thinking to be acknowledged obvious and thus correct.

**Proper communication,** if applied consciously and skilfully, can help to control employees' behaviour, in order to increase their motivation to work. To feel noticed and appreciated, people need constant approval that is feedback on their work. They want to know, if it has actual value for the company. Regardless of company's size, it can be done e.g. through creation and maintenance of interrelations between managers and workers.

**Manner of management.** Employees' behaviour depends mainly on the conduct and attitude of the manager, on his ability to diversify his managing manner appropriately to circumstances, behaviour and potential of qualification of his subordinates. It is crucial, that they know what system of values is appreciated, and what is unacceptable.

**System of work.** The system is appropriate, when assignments are adapted to individual abilities; physical, mental, intellectual, professional and moral needs. This is also a task of humanization that involves the whole range of issues concerning economic, organisational, legal and moral conditions connected with a work process. The system of work ought to be as far as possible individualized and fitted for man, so that he is able to cope with assignments and carry them out without detriment to health. Although modern tendency to automate whole production lines gradually eliminates division of labour in favour of professions that require a wide range of skills, there will still exist in proximate years detailed task division in many branches of production. It is then worth to take care about conditions favourable to gain work satisfaction, emphasizing active individual role of men and engaging employees in collective decision-making. It is evident, that motivating process occurs between supervisors and subordinates. Interactions are reciprocal – it is a bilateral process. The motivated can influence decisions of those who motivate on the basis of principle of feedback. A manager, in order to perform his motivating function well, ought to know the factors that make people operate in the certain way throughout the work process. To get to know and comprehend their goals, expectations, to have as wide as possible range of means of motivation and recognize terms of their efficient use.

## **7. Summary**

A present-day idea of human resources management assumes, that human resources are potential that one should invest in and constantly stimulate, because people and their labour are predominant force and source of development in a company. It is thus necessary to apply such methods of personnel management that will allow to use the abilities of every employee. Assuming that systems of motivating may be one of efficient tools to effective management of human capital, it seems obvious, that one of principal objectives for every enterprise should be construction of a system that will meet employees expectations, that will motivate to better, more creative work, and in the same time will be an efficient tool that will help organization to achieve intended objectives.

This process however, requires capability to penetrate social awareness and also to predict certain behaviour. Hence the role of managers lies in creation of such work conditions that all participants feel moral and psychological contentment and financial satisfaction, whereas companies gain both maximum profit and full use of labour potential. Proper construction of motivating system can guarantee that. The system ought to be comprehensible to people motivating as well as to those motivated. It must be clear, founded on transparent rules that should be strictly followed and constant to a high degree. The process of motivating particular employees should be as flexible as possible, especially when changes are introduced.

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