

CHANGE MANAGEMENT IN PUBLIC SECTOR

**Wan Narita Mustapha
Noor Hamimah Hamidun
Noryanne Amer
Rugayah Hashim**

Introduction

Change is the engine which drives success for an individual or even an entire industry. This statement is supported by Burnes (2004) that change is an important factor for an organization's life both at a strategic and operational level. For the public sector, during unwarranted periods, for example during an economic downturn, change is crucial to sustain progress. By its very nature, progress involves change, via technological advancement, new concepts or simply a refocusing of efforts. Managers are the individuals designated to lead the employees to betterment by their actions and behavior they can create an atmosphere which is either stifling, encouraging the maintenance of status quo or vibrant with enthusiasm for change and improvement. In response to that, Burnes, 2004; Riley and Clarkson, 2001 further discussed that it is necessary for organization under change process to effectively respond to and closely related to organizational strategy or vice versa. Senior (2002) explained that in order to ensure realization of change process, government and public sectors have to strive and acquire good managerial skills. Successful and effective management is important to ensure an organization survival and success in today's competitive business environment.

In addition, change is a fact of life. And as the pace of change accelerates, organizations in public administrative services are being pulled in many directions by several factors such as new technologies, customer demands, e-commerce, workforce demographics, and competitions among its competitors, shrinking cycle times, and shifting work ethics. Researchers have agreed that change being triggered by both internal and external factors and it also affected and come in all shapes, form and sizes (Balogun and Hope Hailey, 2004; Burnes, 2004; Carnall, 2003; Kotter, 1996; Luecke, 2003). Now, more than ever, organizations need the bonding glue of a strong culture to hold everything and everyone together.

Change happens. And while we cannot control much of the world around us, it can control how we respond to it. We can choose to anticipate and embrace changes or resists them.

Resisting changing is like trying to push water upstream. In the view of Folger and Skarlicki (1999:36) resistance is defined as "employee behavior that seeks to challenge, disrupt, or invert prevailing assumptions, discourses, and power relations". Generally, we are quick to point to others who resist change. It is much harder to recognize or admit to our own change resistance. Today, employee resistance to change is a complex issue facing management in the complex and ever-evolving organization. The process of change is inevitable, and employee resistance has been identified as one of a critical and important potential contributor to the failure of many well-intend and well-conceived efforts to initiate change within the organization.

Organizational change in government and public sectors also require driving forces. In order to facilitate, ensuring smooth and successful transition from the old to the new, organizations must be competent in effective change management. Coetsee (1999) states, "any management's ability to achieve maximum benefits from change depends in part of how effectively they create and maintain a climate that minimizes resistant behavior and encourages acceptance and support" (p. 205). The process of change management consists of getting of those involved and affected to accept the introduced changes as well as manage any resistance to them. This means that management has to ensure that every employee in an organization have an urgency to change and fostered by their awareness of the environmental conditions that demand change in the organization. The change process also requires refreezing the new behaviors by realigning organizational systems and team dynamics with the desired changes. Lewin (1951) further discussed that successful change rests in "unfreezing" an established symmetry by enhancing and responding to the forces driving change, or by reducing or removing resisting forces, and then "refreezing" in a new equilibrium state.

Some people considered change as "progress" and celebrate the improvements that it brings. Others curse those same changes and wish for the good old days. Every successful change requires a clear, well-articulated vision of the desired future state. A change agent that is referred to anyone who possesses enough knowledge and power to guide and facilitates the change effort guides strategic visions. Leaders have a deeper and more lasting influence on organizations and provide more comprehensive leadership if their focus extends beyond maintaining high standards. Change agents rely on transformational leadership to develop and transformational leadership to develop a vision, communicate the vision and build commitment to the vision of a desirable future state. A good change agent needs to effectively address the

emotional state of participants who are confronting change with little or no appeal. The change process also often applies a diffusion process in which change begins as a pilot project and eventually spreads to other areas of the organization.

Change forces choices. If we are on the growth, we will embrace many changes and find the positive in them. It is all in where we choose to put our focus. Even change that hits us in the side of head as a major crisis can be full of growth opportunities – if we choose to look for them. Some change and improvement efforts have been hugely successful. There have been increases in response times, cycle times, customer service, quality, teamwork, morale, productivity, innovativeness, cost effectiveness, and the like in the dozens or even hundreds of percentages. Others have been somewhat successful in some areas of their improvement activities. And some ended up in the swamp.

However, whether change is a threat or an opportunity depends on how prepared we are. Whether we become change victims or victors depends on our readiness for change. Resistance to today's change comes from failing to make yesterday's preparations and improvements. When organization fails to learn, grow, and develop at the speed of change, then change is a very real threat.

Ethical Issues

The term ethical behavior refers to how an organization ensures that all its decisions, actions and stakeholder interactions conform to the organization's morale and professional principles. These principles should support all applicable laws and regulations and are the foundation for the organization's culture and values. Many believe that ethical behavior is some abstract term that sounds nice and looks good on paper, but are confused as to what being ethical really means in the workplace. Practicing ethical behavior is important because it can grow a business, promote teamwork among employees, and build confidence and trust.

Ethics is not just the code of human conduct. It is also a branch of philosophy that deals with the questions of what is morally right and wrong and what is morally good and evil. It concerns our judgments, beliefs and values pertaining to aspects of life, be it social, economic, political or even cultural.

It has often been said that the only constant in life is change, and nowhere is this truer in the workplace. As one survey concluded, "Over the past decade, the U.S. Corporation has been

battered by foreign competition, its own out-of-date technology and out-of-touch management and, more recently a flood of mergers and acquisitions. The result has been widespread streamlining of the white – collar ranks and recognitions that the old way of doing business is not longer possible or desirable” (U.S. News & World Report, 1982, p.42).

As the twenty first century approaches, companies face a variety of changes and challenges that will have a profound impact on organizational dynamics and performance. In many changes, these changes will decide who will survive and prosper into the next century and who will not. One of the ethical concerns in organizational change is threat to the privacy rights of individuals.

The action research model is built on the idea of collecting information from organizational members, yet this requires employees to provide personal information and emotions that they may not want to expose. The scientific nature of the data collection may mislead employees into believing that their information is confidential when, in reality, executives can sometimes identify opinions of individual employees.

Another ethical concern is that some change activities potentially increase management’s power by inducing compliance and conformity in organizational members. This power shift occurs because change creates uncertainty and reestablishes management’s positioning directing the organization. Furthermore, action research is a system wide activity that requires employee’s participation rather than allowing individuals to get involved voluntarily.

Some organizational change interventions undermine the individual’s self-esteem. The unfreezing process requires participants to disconfirm their existing beliefs, sometimes including their own competence at certain tasks or interpersonal relations. Some specific change practices involve direct exposure to personal critique by co-workers as well as public disclosure of one’s personal limitations and faults.

Resistance to Change

Resistance to change is an important factor to be considered in any change process. Proper management of resistance is the critical factor for change success or failure. Resistance to change is the action taken by individuals and groups when they perceive that a change that is occurring as a threat to them. The threat need not be real or large for resistance to occur. In its

usual description it refers to change within organizations. Resistance may take many forms, including active or passive, overt or covert, individual or organized, aggressive or timid.

Employee resistance is a symptom, not a problem, in the change process. Leaders need to understand why employees are not changing their behavior in the desired way. In some, situations, employees may be worried about the consequences of change, such as how the new conditions will take away their power and status. According to Hut et. al. (1995), communication barriers that lead to information distortion or misinterpretation is seen as one of the sources of resistance to change. In addition to that, Waddell and Sohal (1998) further explained that conflicting interest that exist between employee and management resulted in lack of motivation among employees who eventually will see change results less than manager values them.

Another reason why a person happily ignores the change is because they can stop it. People in senior positions often threat change as being a good thing – as long as it is for someone else. When faced with change themselves, they may do whatever it takes to scupper the change, for example by refusing to give needed access or other support.

When resistance to change occurs, then it is very helpful to be able to spot it coming and hence respond appropriately to it rather than be surprised when the change mysteriously failed. When the change is announced, almost everybody will start beating loudly and grapevine will bear fruit of much and varied opinion. Grumbling and complaint are natural ways of airing discomfort. The biggest danger of it is when it has allowed fermenting in an information vacuum. Resistance can happen both on an individual case-by-case basis or people may band together. Individually, people may resist, although this is generally limited to the extent of their personal power. For those with lower power, this may include passive refusals and covert action. For those with more posers, it can include open challenge and criticism.

When people find a common voice in organized resistance, then their words and actions can create a significant threat to the change, even though they are individually less powerful. Organized resistance is usually a sign of a deep divide. People will not go to the bother or organizing unless they have serious issues with the change.

Sometimes resistance is out in the open, but more often it starts out in a more underhand, covert way. Covert resistance is deliberate resistance to change, but done in a manner that

allows the perpetrators to appear as if they are not resisting. This may occur, for example, through sabotage of various kinds.

Overt resistance does not try to hide, and is a result either of someone comfortable with their power, someone for whom covert acts are against their values, or someone who is desperate. This may take forms such as open argument, refusal or attack. Overt resistance does not need to take positive action – sometimes it can be passive.

Passive resistance occurs where people do not take specific actions. At meetings, they will sit quietly and may appear to agree with the change. Their main tool is to refuse to collaborate with the change. They may agree and then do nothing to fulfill their commitments. This can be very difficult to address, as resisters have not particularly done anything wrong.

Active resistance occurs where people are taking specific and deliberate action to resist the change. It may be overt, with such as public statements and acts of resistance, and it may be cover, such as mobilizing others to create an underground resistance movement. Overt active resistance, although potentially damaging, is at least visible and employers have the option of using formal disciplinary actions, although, more positive methods should normally be used first.

The main reasons why people resist change are people tend to block actions that result in higher direct costs or lower benefits than the existing situation. Some people resist change as a political strategy to prove that the decision is wrong or that the person encouraging change is incompetent. And they are worried that they cannot adopt the new behaviors. This fear of the unknown increases the risk of personal loss. Many people resist organizational changes that force them out of their comfort zones and require investing time and energy learning new role patterns.

Energizing Communication

Communication is the key to almost everything that happens, or fails to happen in organizations. This is certainly true for change initiatives. Effective communications make the difference between success and failure. If leaders do not keep people adequately informed during the change process, levels of uncertainty and anxiety increase. This often leads to greater resistance, unproductive behavior and lack of support.

Organizational communication is a powerful instrument in assisting leadership to achieve their strategic objectives. However, to be effective in this role, communications cannot be

merely a conveyor of information. Instead, it must set broader goals, to reach and affect the “whole person”, not only including peoples’ understanding but also their opinions, feelings and behaviors as well. To serve an organization’s leadership at a strategic level, communications must reach people’s hearts as well as their minds.

Communications needs to go beyond packaging and presenting information to affecting people’s feelings, stirring their emotions and energizing them on a personal level. These are significantly deeper levels than traditional organizational communications address, yet they are the levels that must be reached to actually affect people’s behavior and job performance. All information is lading with emotional meaning. It is proven that successful corporate mission and change programs utilize the unique abilities of a communication program as one of the catalysts for change throughout the organization. The meetings and presentations bring people together to share a common, unifying purpose. They create memorable, motivational, bonding experiences. In the hands of a dynamic leadership team, communications can be powerful instruments in transforming an organization’s priorities, behavior and performance. If developed and implemented professionally, a program of strategic communications can focus the human resources of the entire company and energize a critical mass of employees to action.

You cannot over-communicate when you are asking your organization to change. Communication is one of the toughest issues in organizations. Effective communication requires four components inter-working perfectly for “shared meaning”. Firstly, the individual sending the message must present clearly and in detail, and radiate integrity and authenticity. Then, the person receiving the message must decide to listen, ask questions for clarity, and trust the sender of the message. The delivery method chosen must suit the circumstances and the needs of both the sender and the receiver. The content of the message has to resonate and connect, on some level, with the already-held beliefs of the receiver.

Many managers in public administrative service assume that if they communicate clearly with their employees, their job is done. However, there are many reasons why employees may or not hear or understand what their managers are saying the first time around. In fact, you may have heard that messages need to be repeated six to seven times before they are cemented into the minds of employees. That is because each employee’s readiness to hear depends on many factors. Effective communicators carefully consider three components: the audience, what is said and when it is said. Initial communications are typically designed to create awareness

around the business reasons for change and the risk of not changing. Likewise, at each step in the process, communications should be designed to share the right messages at the right time.

Communication planning, therefore, begins with a careful analysis of the audiences, key messages and the timing for those messages. The change management team or project leaders must design a communication plan that addresses the needs of front-line employees, supervisors and executives. Each audience has particular needs for information based on their role in the implementation of the change. Communication improves the change process in at least two ways. First, it is the conduit through which employees typically learn about the driving forces for change. Second, communication clarifies an otherwise uncertain future. The more corporate leaders communicate their images of the future, the more easily employees can visualize their own role in that future.

Leading Change

Leaders in government and public sectors play a key role in managing change. Ultimately, the direct supervisor has more influence over an employee's motivation to change than any other person at work. Unfortunately, leaders as a group can be the most difficult to convince of the need for change and can be a source of resistance. It is vital for the change management team and executives sponsors to gain the support of supervisors and to build change leadership. Individual change management activities should be used to help these supervisors through the change process.

Once managers and supervisors are on board, the change management team must prepare a coaching strategy. They will need to provide training for supervisors including how to use individual change management tools with their employees. Leaders and executives play a critical sponsor role in change management. The change management team must develop a plan for sponsor activities and help key business leaders carry out these plans. Sponsorship should be viewed as the most important success factor. Avoid confusing the notion of sponsorship with support. The CEO of the company may support the project, but that is not the same as sponsoring the initiative.

Most change efforts fail far short of their potential. Usually that is because leaders fail to address the deep behavioral changes they are seeking. Resistance from employees is normal.

Persistent resistance, however, can threaten a project. The change management teams needs to identify, understand and manage resistance throughout the organization.

Change is everywhere in business today. That is why it is important that managers and change team leaders possess a strong change management skills for the company or organizations to move through a successfully change. As the top person, others look at leaders for direction, not only in terms of business needs, but also related to behavior, ethics and standards. If we need employees to change, we must set an example for them to follow.

Leaders of today especially in public administrative services should interact more with their employees. They should walk around and getting to know their employees and learning about the problems they are facing on a day-to-day basis. As a leader of change, it is important to be as real and honest as possible in your interaction with employees. By interacting with employees on a one-to-one basis, you will build rapport and trust.

To be a strong leader, you must have passion around your vision. Without it, you will soon find yourself facing burnout. Leadership is tiring and saps energy at a very rate so make sure you are passionate about what you do. Building our ability as leaders is the first step in the change management process. When employees believe in you and trust what you are doing, the campaign for change is much more likely to succeed. Once a change occurs, it is very important to communicate on a regular basis with all affected. Let the employees know what is happening. If your communication skills are weak or you do not have a formal way of letting your employees know what is happening, set one up before you hit the stage of the change process.

Organizational Development

Organizational development is a family of techniques designed to help organizations in government and public sectors change for the better. They involve the use of behavioral science principles and procedures that help employees improve performance and interact with co-

workers more effectively. An organizational development effort or program involves employees at all levels of the organization. It is implemented by a person or persons referred to as change agents. The change agent is the catalyst for change within the organization. The change agent's job is to act as a guide and trainer for the organizational development process.

Organizational development and other changes are not easy to be implemented. Armenakis and Bedeian (1999) discuss a multistage process that an organization must go through to successfully implement a change. The specific form of the change has to be determined, often with the participation of the employees affected. Once suitable plan is produced, the change can be implemented.

Several factors are involved in successful change. Wanberg and Banas (2000) studied the implementation of change within U.S. government agencies over a 14-months period. Two important factors leading to acceptance of change by employees were the extent to which sufficient information about change was given and the extent of participation by employees in the process. Klein, Conn, and Sorra (2001) studied change in 39 U.S. manufacturing plants and found that sufficient financial resources and support from management were associated with successful change efforts.

The four organizational change techniques in organizational efforts are management by objectives (MBO), survey feedback, team building, and T-groups. These techniques have been used extensively by organizations throughout the world.

1. ***Management by Objectives***

This is an organizational change technique that is based on goal setting. Each employee's own goals are coordinated with the goals of both supervisors and subordinates. Goal setting begins by having those at the top of the organization set broad objectives for the entire organization. The process of setting goals then filters down level by level, with all employees' goals being related to the goals of their supervisors. The goals serve as motivational tools to direct effort, as criteria against which employee performance is appraised, and as the means of coordinating everyone's efforts toward a common set of organizational objectives.

Implementation of an MBO program begins with the change agent meeting with the top officials of the organization to set organization-wide goals and objectives. These goals are specific and measurable, allowing everyone to know precisely what needs to be done and when it has been achieved.

The next step, the change agent meets with managers and trains them in the goal-setting process. The program will work only when managers understand how to state measurable goals and how to set goals with subordinates and superiors. Then, a series of meetings involving every subordinate-supervisor pair in the organization. Once all goals have been set, employees try to achieve them. After a 6-12 months period, each employee's job performance is evaluated against progress toward his or her goal.

Research on MBO has supported its use as an effective means of increasing organizational performance. Rodgers and Hunter (1991) conducted a meta-analysis of the effectiveness of MBO. They found positive effects on employee productivity in 68 of the 70 studies they reviewed.

2. *Survey Feedback*

A survey of employee attitudes and opinions and then feeding back the results to the entire organization. Employees can express their opinions in a non-threatening way through anonymous or confidential questionnaires. The survey data will be used as the starting point for discussions about needed changes in the organization.

A survey feedback program consists of two major stages. First, the change agent designs and administers questionnaires to the employees of the organization. Employees are asked about job attitudes, job satisfaction, perceptions of job conditions and problems at work. Standardized scales can be used to assess some of these variables.

The second stage of a survey feedback program is providing feedback about the survey to employees. Data from the survey are compiled into a report, and the report is presented to employees, usually at a series of group meetings. Bowers (1973) reported that the results of a large-scale longitudinal study

involving more than 14,000 employees from 23 organizations. Positive changes in job satisfaction and employees reports of job conditions were found after survey feedback program were introduced. If done properly, survey feedback can help to solve problems and give employees a greater sense of involvement in the organization.

3. ***Team Building***

Designed to enhance the functioning of work teams. Team building focus on interpersonal issues, such as communication, tasks on smooth coordination of effort. With the task-oriented approach, the change agent helps work team improve their task performance by learning how to work together more effectively.

With the interpersonal approach, the change agent helps work teams to improve their communication and interaction. An organization in which work teams do not work well will have a hard time being effective. Improving team functioning can go a long way toward improving an organization.

4. ***T-Group***

T-group, or training group is an intervention designed to enhance the communication and interpersonal skills of individual employees through specific group exercise techniques. Most are conducted at a site away from work; take place over a three day to two week period, and involving several people who do not know one another. The idea is for the group of strangers to experience a series of interpersonal skills exercise with a trainer to guide them.

A T-group experience encourages participants to experiment with their interpersonal behavior in a situation in which they receive non-judgmental feedback. This allows group members to gain insights into their effects on others and how others perceive them. The purpose is for organizational members, most often managers, to increase their interpersonal skills in the hope that they will be more effective on the job. Bowers (1973) found detrimental changes in reports of

job conditions and job satisfaction among employees who participated in T-groups.

Conclusion: Future Issues and Challenges

The biggest challenge facing government and public sectors today is dealing effectively with rapid change in both the internal and external environments. Change is produced by both social and technological forces that impinge on organizations. Globalization and rapid advances in computers and related technologies have produced an environment that demands the ability of organizations to adapt and change (Coovert, 1995).

It must be kept in mind that change can be extremely stressful for employees (Mack, Nelson & Quick, 1998). Organizations in public administrative service must take steps to help employees cope with change, which can adversely affect their job performance and well-being. Global economics require organizations to have the flexibility to deal with people from many different cultural backgrounds, which might have different expectations about acceptable and unacceptable practices. The multicultural nature of a global workforce brings new challenges for finding appropriate and effective ways of dealing with different sorts of people.

Technological change means that organizational practices and structures can quickly become ineffective and obsolete. Technological advances now allow people to telecommute, that is, to commute work without leaving home by logging into the office computer system with a modem. Another major challenge is the worldwide trend greater efficiency by downsizing. With fewer supervisors, organizations must find ways for employees to work with greater autonomy. The point is, change is life. Successfully dealing with change means choosing to grow and develop continuously. Failing to grow is failing to live.

In today's business world, should the project structural change occurs, the managers, administration and other stakeholders in government and public sectors will have no choice but to adapt to change and foster the change to ensure that the change is effectively implemented.

REFERENCES

Folger, R. & Skarlicki, D. (1999). Unfairness and resistance to change: hardship as mistreatment, *Journal of Organizational Change Management*, 35-50.

- Coetsee, L. (Summer, 1999). From resistance to commitment. *Public Administration Quarterly*, 204-222.
- Lewin, Kurt (1951). *Field Theory in Social Science*. Chicago: University of Chicago Pr. ISBN 0226476502.OCLC 2185305.
- Hutt, M.D., Walker, B.A. and Frankwick, G.L. (1995), “Hurdle the cross-functional barriers to strategic change”, *Sloan Management Review*, Vol. 36 No.3, pp. 22-23.
- Waddell, D. and Sohal, A.S. (1998). “Resistance: a constructive tool for change management”, *Management Decision*, Vol. 36 No. 8, pp. 543-8.
- Armenakis, A.A., and Bedeian, A. G. (1999). *Organizational Change: A Review of Theory and Research in the 1990s*.
- Bower, D. G. (1973). OD Techniques and Their Results in 23 Organizations. *The Journal of Applied Behavioral Science*, 9, 21-43.
- Coovert, M. D. (1995). Development and Evaluation of Five User Models of Human-Computer Interaction. *Journal of Higher Education*, 62, 174-193.
- E.B. Dent and S.G. Goldberg. *Challenging: Resistance to Change*. *Journal of Applied Behavioral Science*, 35, 25-41.
- D. A. Nadler (1978). *The Effective Management of Organizational Change*. NJ: Prentice Hall, 358.
- Klein, K.J., Conn, A. B., and Sorra, J.S. (2001). Implementing Computerized Technology. *Journal of Applied Psychology*, 86, 811-824.
- Mack, D.A., Nelson, D.L., and Quick, J.C. (1998). *Applied Psychology: An International Review*, 47. 219-232)
- Murray, M. and Owen, M. A. (1991). *Beyond the Myths and Magic Mentoring*. Jossey-Bass. San Francisco.
- Rodgers, R., and Hunter, J.E. (1991). Impact of Management by Objectives on Organizational Productivity. *Journal of Applied Psychology*, 76,322-336.
- Robbins, S.P. (1998). *Organizational Behavior – Concepts, Controversies Applications*. 8th edition. New Jersey. Simon and Schuster Company.
- University of Manitoba (1995). *A Strategy for Career Development*.
http://www.umanitoba.ca/academic_support/uts/grads/publications/

Wanberg, C.R., and Banas, J.T. (2000). Predictors and Outcomes of Openness to Change in a Reorganizing Workplace. *Journal of Applied Psychology*, 85, 132-142.

wannarita@perak.uitm.edu.my
yanne386@perak.uitm.edu.my
norha190@perak.uitm.edu.my
hajahgy@gmail.com