The organizational change impact on the employee’s behaviour and performance in KSA universities

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Abstract

The purpose of this case study was to explore the impact of the organization change on employee behavior and performance in the College of Business at King Khalid University. 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 development in its external and internal environment. The study participants included employee that worked in the business school that ranged from supervisors to subordinates. The study design was a case study approach that used semi-structured in-depth interviews conducted via Skype with six employees in who gave their comments and perception towards organization change in the university.

The inquiry identified three themes from the content thematic coding system, which include perception towards change, leadership support during the change process, and communication of the change process. The employees expressed both positive and negative emotions towards change in the organization. Employees appreciate the provision of sufficient and proper communication as well as leadership support during the change process. Finally, the results showed that respondents were concerned a lot of their
status because of the change process and they felt dissatisfied with the organizational change process it was compromised.

The study only focused on single college within the university, the findings may not be a true representative of the college, and the result may have been influenced by other organization factors at large. The study recommends it essential for initiators to change to consider the need of employees in to attain successful and effective organizational change. Finally, the study concludes that the perception of changes, leadership support, and communication of the organizational change process as well as the professional identity (status) of employees influence the change process.

**Keywords:** Behavior, performance, change, Universities.

**1. Introduction**

This paper seeks to undertake a case study primarily focusing on the College of Business at King Khaled University to evaluate the impact of organizational change on employee performance and behaviour. Based on the assertion of Stavros et al, (2016) opines that 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 development in its external and internal environment.

It is imperative to note that the field of higher education has experienced exponential organizational change due to a massive number of elements that are concomitant with both its external and internal environment, majorly due to economic factors, technological changes, an increase in student enrolment, as well as other social and...
political changes. Additionally, the emergence of several universities globally has intensified the level of competition thus leading to many of them to enforce new kind of organizational change (Alghamdi, 2016).

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 into a new direction, provided it is in harmony with the employees’ important values.

The institutions of higher learning have transformed significantly over the past years due to globalization such as employees experiencing changes like reorganization as well as increased changes in workloads due to increase in student enrolment and rapid technological changes (Alghamdi, 2016). It is vital for the employees to be physically attached to their institution to reduce the fear of change towards the environment, institution culture and institution management (Cameron & Green, 2015; Petrou, Demerouti & Schaufeli, 2018). This fear can hinder efficiency, performance, and effectiveness of the institution thereby affecting the accomplishments of the institution goals (Cullen et al., 2014). Based on Starke (2013) asserts that employees will be motivated and willing to work hard when they feel that the institutions have a high degree of challenge and a sense of belonging.

Typically, employees will have deep attachments towards the institution, work teams, and
procedure of working if they can adapt to a changing environment (Cullen et al., 2014). Change is a continuous process, so there is need to pose the skill to manage and lead change efficiently so that employee performance would not decrease as cited by Petrou, Demerouti & Schaufeli, (2018). Occasionally, employees may experience feelings of being threatened and fearful due to institution changes leading to low confidence as they feel the lack of institutional commitment to the vision of the firm. On the other hand, other employees who pose confidence, skills, and experience may become ambiguous and uncertain; therefore, they might look for employment elsewhere (Cameron & Green, 2015).

People tend to blame the top management in case of institutional change, as they are the ones who implement the force of change (Alghamdi, 2016). According to Young et al., (2015), communication is the key element of institutional change as it affects employee performance since it is crucial when the environment has changed significantly. Mone & London (2018) theorizes that organizational change tends to bring impact on employees’ performance and behaviour 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 performance and behaviour.

1.1 Problem statement

Organization change act as a source of stress to the employee before, during, and after its implementation and it generates conflict, discomfort, and resistance that can have a huge impact on staff performance and motivation (Stavros et al., 2016). This empirical inquiry is to determine and explore the impact of organizational change on employee performance and behaviour in the college. Moreover, recognising the relationship between institutional changes factors such as communication and leadership on
employees’ performance and behaviour.

In the college of business at King Khaled University, employees play a central role in this institution. If the employee performance level goes down, it may affect the image of King Khaled University’s reputation. Besides, uncertainty and fearful employees may be reluctant to undertake their duties as well as lower commitment levels to the enterprise as they may be concerned with their employment, benefits, and welfare after the change. Moreover, it is crucial to investigate and develop a deeper understanding, not verification, of the change process resulting from organizational change by exploring the perception of the employees in the College of Business at King Khaled University. Employees’ must have the ability to absorb and adapt to change in order the secure their employment. It will seek to understand the skills manager need such as the ability to effectively manage and lead change efficiently to maintain and improve performance as well as an appreciation of human factors in the change process. Better acceptance of change will result in better employees’ performance; therefore, this can be achieved through motivation of the employees to work hard, providing guidelines to complete the task and help them in problem-solving of issues.

1.2 Research questions

To address the problem statement, the following questions are appropriate to this paper.

1. What are the perceptions of employees in the College of Business at King Khaled University towards organizational change?

2. How have education policies and procedure been modified in College of Business at King Khaled University because of instituting organizational change?
3. What are the benefits and challenges of organizational change on employee’s performance and behaviour in the College of Business at King Khaled University?

2. Literature review

The literature review organized according to the major themes identified from the literature search.

2.1 Background information on higher institutions in KSA

The higher institution of studies in KSA has changed rapidly from advanced education driven by quality to the increasingly aggressive environment in competition for returns is as the main concern (Smith & Abouammoh, 2013). Because of this transformation, employees’ culture in the higher learning institution has changed and affected the employee performance and behaviour. General organization for technical education and vocational training is responsible for a making sure, there is quality in the education system and promoting advanced education sector KSA. The Ministry of Education in KSA completed its growth plan gradually by establishing new institutions, attention to the quality of work and performance, as well as in the development of new academic programmes and disciplines. Moreover, the number of the universities in Saudi Arabia has increased highly in the last years, the number of universities has increased from 20 in 2005 to 34 universities in the Kingdom in 2015 with a total growth rate of 70% (Albadry, 2016).

2.2 Organizational change

According to Cameron & Green (2015) postulates that change as a constant process rather than an interruption to business equilibrium. Institutional change can be wide
such as restructuring, technological changes, merging and resizing the institution through equipment updating, products, and services, retaining employees or layoffs, mergers and acquisition (Burke, 2017). Moreover, Schaffer, Sandau & Diedrick (2013) defined organizational change as the development of new plans, beliefs, and attitudes among employees due to problems and opportunities that emerge from the organization. Change is of significance to the organization as it assists to sustain the changing market demand and stay competitive (Jacobs, Witteloostuijn & Christe-Zeyse, 2013). Based on the assertions of Cullen et al. (2014) opines that unexpected performance loss and expected performance can be generated depending on change implementation strategy. It is imperative to note that Schaffer, Sandau & Diedrick (2013) allegations are consistent with the sentiments of Jacobs, Witteloostuijn & Christe-Zeyse, (2013) that constant organizational change is common since they enhance opportunities for growth and development through process perception, opinions, emotions, and strategies.

Whereas Petrou, Demerouti & Schaufeli (2018) theorizes that implementation of a change in the business alters how employees relate to one another to sustain growth, and competitiveness as well as to survive internal and external pressure. Normally, objectives of change and its consequences are usually informed through newsletters, meeting, and other forms of communications. Burke, (2017) echoes that managing change is the most significant challenge to the organization as it assists employees to increase performance efficiently and effectively. How these changes are being implemented, depends on the success of the organization. The organization direction, structure, and staffing levels need to change to stay competitive in a current business environment. Young et al. (2015) insinuates that these changes should be directed toward organizational efficiency and performance. Organizational change may lead to uncertainty, stress, redundancy, delayering and downsizing leading to failure of the organization. This may lead to a
decrease in efficiency and effectiveness (Stavros et al., 2016). Change may lead to high costs through customer dissatisfaction, cash flow issues, and receivables. Due to the rapid change in the KSA education sector, these changes brought turbulence crisis in the education sector (Alghamdi, 2016).

2.3 leadership

Based on the assertions of Holten & Brenner (2015) affirm that leaders are key since they motivated to guide employee’s behaviour towards the goal attainment in an organization. The use of the different style of leadership is crucial towards enhancing employee behaviour and performance for the achievement of the set objectives. According to Popli & Rizvi (2016), postulates there are two classical leadership style. First, one is depicted by more authoritarian style of management that more directive that primarily focuses on the task while the second style is associated with the sharing of information, mutual decision making, consultation, participation that focus on worker orientation and reflections. The success of organizational change, as well as employee performance, relies majorly on leadership roles and commitment (Holten & Brenner, 2015). The leader has the capacity to encourage the personnel so that they can function efficiently and can get things completed. Scholars argue that the productivity of the organization will be intensified tremendously when employee share their values and ideas with each other. The role of a leader is to motivate employee toward task attainment, by giving moral support and incentives so that employee put more effort into their work (Cullen et al. 2014).

2.4 Communication

According to Tanner & Otto (2016), communication is the process by which ideas, knowledge, and information is exchanged and can be achieved through writing, electronic,
or print media as well through speech. Organizational communication can be used as vital to lessen employee negative impact especially when change is done in the organization. Communication can be used to enhance employees’ perception and performance concerning the new management style and trustworthiness. Managers to build a strong relationship with subordinate and peers can also use communication. It is imperative to note that based on the assertion of Tanner & Otto (2016) reiterates communication that is more effective can largely influence lower-level employee since they are directly associated to the productivity of the organization and show a positive correlation between productivity and communication.

3. Theoretical framework

The theoretical model of the research that eventually shaped the methodological design is the Lewin’s change management model that makes it easier to understand and structure the change process. Kurt Lewin in the 1950s, a physicist, developed the model and social scientist and the model expound organization change through the changing states of block ice (Cummings, Bridgman & Brown, 2016). The model is composed of three stages which include unfreeze, change and refreeze.

Unfreeze: this stage entails the preparation for the change and it mandates the organization to prepare for the change as well the fact that change is important and is required. This stage is useful in breaking the current situation. This will be achieved through the provision of the explanations as to why the exiting ways need to change as for how the change will bring more profit. It requires the organization to investigate its core and re-evaluate it (Hossan, 2015).

Change: In this phase, real change takes place as employees embrace the happenings, changes, and development. At this phase, leadership is key and reassurance is crucial as they steer the process in the right direction and as well as make it easier for the staff.
involved in the process. Communication and time are the keys for this phase to occur successfully (Cummings, Bridgman & Brown, 2016).

**Refreeze:** In this phase, the change has been accepted, implemented, and embraced by the employees as the organization again regains its stability. At this phase, things start going back to its normal routine and place, now the employee's sense of stability that makes them get confident and comfortable of the acquired changes (Hossan, 2015).

The model informed the research, with thinking of organization change that undergoes the phases proposed by Lewin’s model. Having outlined the previous literature as the building block for theoretical framework of the study, the following emerging issue from change process includes communication, leadership, and perception of an employee of the change process that influences the employee performance and behaviour in the College of business at the King Khalid University of KSA was examined further.

**4. Research methodology**

**4.1 Research design**

This paper used a case study methodology. Case studies are valuable when the research data is focused at capturing the individual differences, or unique variations from one study setting to another (Stake, 2013). The use of a case study is essential for the investigation to ascertain the employees understanding of change within the organization. Case study research is suitable for the study of the impact of organizational change because it uses qualitative statements, which illuminate, explain, and provide more interpretation. The importance of this study is to create a deeper understanding, not verification, of the phenomenon under this study. Qualitative methodology is deemed appropriate for this study for its ability to enhance the research validity (Venkatesh,
Brown & Bala, 2013)

4.2 Sampling technique

The investigation utilized purposive random sampling technique because the approach helps in identification of the target population and development of a systematic way of choosing the cases that are not founded on advanced knowledge of how the study results would appear as postulated by Hammersley (2016). The researcher chose a purposive sampling technique because of its ease applicability to Kings Khalid University College of business.

4.3 Data collection

Data collection can impact the results of this study negatively or positively, for this reason, the method must be accurate. The method employed by the researcher to collect data by semi-structured interviews via Skype. Furthermore, the study was carried out in College of Business at King Khaled a Public University located in Saudi Arabia. The number of employees in the College of Business is around 100 employees.

5. Finding and analysis

The outcome of the six semi-structured interviews was analyzed to interpret the data collected from the investigation. The use of case study approach provided a valuable approach of comprehension of the impact of organizational change on employee’s behaviour and performance towards change. The responded came from an assortment of hierarchical levels and functional departments. Data was accomplished by use of thematic coding system that provided interview summaries and based on the analysis the respondents expressed that they had experienced a wide of organizational change, which includes restructuring, relocations, redundancy, job redesign, and new system implementation. The interview allowed the researcher to examine the micro-level
experience of the employees as well how these changes affected the discourse of their behaviour and performance. It also allowed the employees to report unique experiences associated with change related emotions.

5.1 Demographic analysis

This section will focus on age, ethnic, and work experience of the respondents.

Age: Based on the study, the highest percentage in the age of the respondent was between 25 – 35 years that composed of 67% (4) of the respondents while the remainder 33% (2) was above 35 years of age.

Race: According to the research, it displayed that five of the respondents were Saudi nationals constituting 83% whereas one respondent (17%) was an Egyptian origin.

Working duration: Based on the results 50% (3) had worked less than 3 years, followed by 33% (2) who had worked for 5-10 years while 17% (1) of the respondent that had worked in the institution for more than 12 years.

5.2 Major Themes

The crucial quotes and issues from the respondent's transcripts that dealt with organization change were jotted down. The researcher scrutinized of the emotional implications of change on an employee on behaviour and performance. Besides, the researcher explored whether emotional support offered by leader and managers in the process of organizational change. Therefore, the analysis of the results is reconstructions of the dynamics of behaviour, performance, and organizational change.

5.2.1 Perception of change by employees

The interviewee perception of change brought out the idea of change and process of change. The employees liked the initial idea of change. However, they were critical concerning the process of change since the little information concerning change as well the way it is implemented lead to a lot of struggles among the team. As the process of
change was not structured as well, the lack of detailed design of the change process generated huge dissatisfaction among the employee and when they felt there was lack of information that they attributed to the leadership and senior management. This is exemplified by the respondent’s comment below

“I was a supporter of the organizational change, though when the chairperson announces but i did not have substantive information about it though I really liked the idea of a merger. However, the process of change was not structured, it was messy, chaotic ….i think it happened due to lack of proper guidance”

Based on the interviewee organizational change had a huge influence on their behaviour since a number of the interviewees commented on how the change had affected their behaviour. From the participant’s comments, the researcher noted that organizational change raises emotions that had a direct influence on their behaviour that primarily affected their affective experience of the organizational change process. The interviewees’ experience had both negative and positive emotional reactions to organization change that directly affected their behaviour. One of the respondents commented that,

“We were able to take calculated risk... we thought the change would not survived in our workplace. As employees, we felt demoralized and undervalued and we felt like the big brother trampling on their little brother. We had the authority to sign off some funds... they took that away and it had a massive impact on employees’ ability to be quite passionate concerning the roles in the organization”

A change in organizational value was cited by the respondents to negatively undermine their sense of identity especially those managers that lost their status in process of
effecting organizational change. When an employee feels that the employer does not respect their feelings they tend to reduce their obligation by showing withdrawal behaviour such as reduced level of commitment and increased intention to leave the organization contributing to the high turnover rate.

Indeed, in the process of interviewing he spoke having a sense of grief due to the change. On the other hand, some employee had a positive experience of the organizational change that had a huge impact on their motivation as well enhancing their organizational commitment. Moreover, on a positive note, one of the interviewee was delighted when he was transferred to the new department because of the organizational change. Indeed, he appeared to appreciate moving from what he referred to as a gloomy department to a friendlier atmosphere where it was oriented to people and result delivery.

“My transfer occasioned by the strategic change led to a number of operational, structural and cultural changes that led me to be transferred from a gloomy office atmosphere to the department that had lively workers with more fluid workplace focussed on getting the acquired results with a strong human relation component.”

Based on these comments from the participants, it is vital to note different employees view towards the organizational change and through different lenses and they tend to resist change at least initially. On one hand, change may contribute to stress the staff that reflects the change as a value that may generate suspicion and animosity that become a significant challenge in executing the change. On the other hand, change may also have a considerable positive effect on employees particularly is appreciate as cited of how supervisors reacted to the emotions of employees was a crucial element of how they
responded to change.

5.2.2 Communications

The findings indicate that there was a positive correlation between communication and employee performance and behaviour, consequently prompting communication will contribute to staff performance. This can be noted from the following comment by

“The lack of proper communication from the management in the time of change result to host deleterious outcomes as they appeared to seemingly have little understanding of the embarrassment and pain that they cause in the event communication is not conveyed to each employee”

From these sentiments, we can conclude that lack of proper communication in the process of change by the management may expose the employee to untold pain and suffering that negatively affect their behaviour and performance in the organization. However, on the other hand, communication significantly has increased influence towards employee’s performance signifying that for every unit increase in communication employees’ performance also increased

“The organization always maintained open communication during the change process by offering constructive feedback, this provided an opportunity for the staff to challenge the management concerning their intentions that accorded my colleagues a chance to be equally frank since we were treated with dignity and respect”

The findings show that constant communication may be used as a strategy to increase the commitment of the employee to the organization due the ambivalence of management in discussion around change since most of them were impressed the of the manner in which the senior management took the responsibility of dealing directly with issues that were change-related.
5.2.3 Leadership

From the analysis, it shows that the support provided by leadership such as managers in an organization is a crucial component since the perceived leader support is noticeable from the comments of respondents. A number of the interviewees recalled of how the support of their direct supervisor and seniors that were cognizant of their emotional reaction to change afforded them with psychological support. This is key in indicating that the relationship between both variables. The increase in leadership support through the change development will lead to an increase in employees’ performance as well as displaying the appropriate behaviour. One of the respondents notes that

“The support that was accorded to my colleagues and I with our line manager provided some comfort and that really made us to be proud of him to have supported us during this difficult period of change. The effort that was given out by our supervisor to manage redundancies gave all my colleagues the tangible helps such writing of curriculum vitae as well as approaching of the neighbouring firm to hire our staff. Moreover, he was able to provide psychological support on a personal level as well through employee assistance programs.”

6. Discussion & Conclusion

6.1 Discussion

Several themes emerged that signify the prevalence of organizational change related to employee performance and behaviour. The study illustrated the interrelatedness of diverse constructs utilized in this study. For instance, the change was associated with a negative emotional reaction noted when the respondent felt the outcomes and process of change were prejudiced, leadership support was not offered and when they felt insecure
in raising their concerns with change. The inquiry endorses the finding of several scholars of the important role of leadership support, communication plays in assisting or hindering organizational change. The findings also reinforce the message that emotional reaction accompanies different aspects of change that require it to be handled in a sensitive manner.

From the inquiry, it is evident that effective communication can play a constructive role in enabling change. Some of the respondents in the present investigation did not like the new changes that were enforced on them resulting in resistance to the change process as they felt disrespected and treated unfairly due to lack of proper communication. Previous investigations of mergers and acquisition have demonstrated individuals are concerned of their identity that is interconnected with the corporate identity that is in the occurrence of change it leads to the fragmentation of the former (Cartwright & Cooper, 2014).

The importance of communication was perceived to be of significance by the employees during the organizational change process. This finding is in line with the assertion of Young et al., (2015) who state that communication is a vital component of institutional change as it affects employee performance.

Some of the resistance displayed toward change appears was due to less participative leadership as employees were excluded from decision-making that acted as a significant barrier to organization change, which concurs with the sentiments of previous researchers (Popli & Rizvi, 2016). From the inquiry, this was found to be particularly damaging to the identity of managers that had considerably enjoyed authority but upon the change process, lost their status that negatively impacted the change process. However, some of
the respondents were appreciative of the support they received from their managers that made adoption of the change process quite acceptable.

Therefore, monitoring performance of the employees was an essential component as it controls systems and target change for human relations and organizational development. However, employees’ autonomy and self-responsibility may be reduced by close supervision. These results are consistent with the assertion of Carter et al., (2013) who propose that effective leadership might result to a huge impact on the participation of employees that translate to change of individual behaviour and organizational performance.

Researchers such as Cullen et al., (2014) have theorized that the ability of the manager to create a warm emotional environment is key in the change process, and in the existing inquiry, respondents who experience the leaders support felt some comfort. The investigation finding is in line with assertions of Burke (2017) that people that are grappling with either the process or outcomes of change require their feeling to be justified rather than disregarded. It concurs with Alghamdi, (2016) that people tend to blame the top management in case of institutional change, as they are the ones who implement the force of change, therefore causing stiff competition in the new market.

Interviewees of the present inquiry had both positive and negative perception of organizational change that influences their behaviour. It plays a major role in how the study respondents made sense of the changes. This finding is line with previous research that shows that when employee’s values are in harmony with the organization, it leads to increase in job satisfaction and commitment and when they are not, employee
turnover increases (Cullen et al. 2014). The results agree with Petrou, Demerouti & Schaufeli (2018) that found out that the perception employees have toward their organization helps to develop and nurture effective commitment, behaviour, and attitude of employees towards the future of the organization.

6.2 Conclusion
This study examined the relationship between employee performance and behaviour at King Khalid University KSA using three variables such as communication, leadership, and employee perception of change. Communication-enabled the exchange of information, knowledge, and ideas and finally yet important was leadership as it played an important role in motivation and influencing organization goals and objectives. It is also imperative to note that organization change has the ability to alter the performance and behaviour of employees, whether intentionally or not and affect their emotional responses. In summary, with the understanding, all the factors in mind an organization can improve employee performance and behaviour during change if it will be in a position to determine the needs and wants of the employees.

6.3 Limitation of the current study
In the current study, employee perception of how the organizational change affected their behaviour and performance during change events was investigated. The research covered several effects of the change on employee behaviour and performance but did not delve into an organizational change in much depth, but it did it in a narrower aspect.

6.4 Future research/recommendations
The use of quantitative studies within the organization may provide a clearer picture of the organizational change process. Further study may have the ability to capture conclusively several variables that play a considerable part to performance and behaviour of employees to change events. A further consideration is that research respondents in
the study they were not from the entire university but only for the college of business in King Khalid University KSA the behaviour and performance may been induced by the wider university factors on the change that may play a significant part on the reaction.

One key implication of this inquiry is the need for the initiators of change to consider how change potentially impacts employee performance and behaviour and since change is often emotional, it is vital for consultants and managers to cognizant of its consequences in the process of executing change.

7. References


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