

Management of Change and Sustainable Development

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Abstract

Organizations must diagnose, predict and manage the need for organizational change which has become a norm for there to be sustainable development. The anticipation of likely changes ensure that managers prepare for change rather than simply reacting to it. Therefore, this paper focused on how Management of change facilitates sustainable development in Nigeria, and suggests the best measures to achieve desirable results. The star, Lewin three-step and force-field analysis models were adopted as theoretical framework for study. This study used descriptive design; both primary and secondary sources of data were used with questionnaire as the major instrument of data collection chi-square statistical tool was used to test the hypotheses. It was revealed that organizations often react to changes which affect sustainable development adversely. This was due to lack of involvement of employees in the change process, lack of education, poor training culminating in lack of knowledge, abilities and incompetence, inability to be competitive and non-utilization of opportunities. Based on this we recommended that effective leadership that is strategic is required in preparing employees for changes in a proactive way.

Keywords: *Organizational change, Management of change, Sustainable development, Innovation, competitiveness*

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Background to the Study

Change has become the norm in every nation. Nations are closing down, businesses are failing merger, and acquisition and downsizing are used as survival strategy. The COVID19 pandemic that is ravaging the world and pounding every facet of life has revealed that the world surrounding the organization is nowhere near stability. Hence, change happens, invariably adaptability, flexibility and responsiveness should be characteristics of any organization that will survive and meet the competitive challenges that businesses face. The COVID19 pandemic shows that there is a new norm which every organization and people should adjust to for survival and continuation of operations toward achievement of desired organizational and personal goals. Organizational change is inevitable and the only constant thing in life (change)its management is critical to successful business operations. For organizations to remain competitive in a dynamic environment, they must adopt positive attitudes to change, ignoring or trivializing a change trend can be costly, this is quite evident in the COVID19 pandemic, in developed nations were casualties are very high, car manufacturing firms are switching to manufacturing of medical equipments like ventilators while clothing firms are producing Personal Protection Equipments (PPEs) like Mask etc.

Most of these firms were able to adjust and adapt to the change process due to their flexibility, utilization of opportunity therein, quality of personnel and their involvement in the change process so as to combat the COVID19 pandemic challenges. But this is not the case in developing nations that are struggling to stay ahead of the change necessitated by COVID19. Okere (2015) States that as organization mature they evolve policies and practices due to changes in every facet, hence management must manage change for their organizations to be steps ahead of competition, set new standards, survive and achieve desirable objectives. It therefore becomes necessary for organizations to always take proactive steps towards change as it is the key to take charge of the future.

Statement of the Problem

The inability of developing nations to manage change effectively can be attributed to the following:

- i. Lack of employee/people involvement in change process but imposition of change.
- ii. Non utilization of opportunities from change
- iii. Poor re-engineering, innovation and adaptability programmes.

The researchers therefore undertake the study to proffer solutions on how developing nations can manage change effectively.

Objectives of the Study

The general objective of this paper is to determine how management of change strategies affect sustainable development of organization. The specific objectives are:-

1. To ascertain how involvement of employee/people in change affect organizational objective survival and opportunity utilization.
2. To determine the relationship between management of change strategy of innovation and organization competitiveness.

Research Questions

The following research questions were raised for this work:

1. How does management of change strategy of employee/people involvement in change process affect organizational survival and profitability?
2. What is the relationship between management of change strategy of innovation and organizational competitiveness?

Research Hypothesis

The following research hypotheses were formulated for this study:

Ho1: There is no significant relationship between management of change strategy of employees involvement and organizational survival and profitability.

Ho2: Management of change strategy of innovation does not significantly affect organization competitiveness.

Conceptual Framework

Organizational Change

Change is an inescapable part of organizational lives. Changes entail movement from status quo. Ackeman (1997), defines organizational change as an organization response by adapting to the external and internal environments demands placed on it for survival and future success. So change can evolve slowly within the department(s), imposed by specific changes in policies or procedures or it can arise from external pressures.

Change has a pervasive influence; it affects individuals, group's organizations and society both at national and international levels. It is inevitable in every organization because business operate in a dynamic environment which implies change, that any organization that fails to recognize the inevitability of change is courting failures, while management that succeeds is constantly adapting, the direction and operation of their organizations to changes in technology, Social, political and economic environment in which it operates. No wonder Cuning et al (1996) opine that change is a fact of life for all organizations. They further explained that the following decisions involve major organizational change: implementing a new strategic plan, taking actions on the basis of SWOT Analysis, re-engineering, manpower situations and government policies on issues-like minimum wage, labour relations, taxes, and import restrictions. Recently there is a monstrous change in the dynamics business world arising from COVID19 pandemic which has shut down the world economies and general life activities.

Causes of organizational Change

There are two main causes of organizational change which include: External and Internal causes. External change is outside the controls of the organizations while internal is within. According to Agulana and Madu (2010) organizations have to adjust to external changes to survive. This adjustment could imply modification of organization structure as well as its functioning. Some of the external causes are; economic technological, government policies social cultural values, political and natural environment.

Major Types of Organizational Change

The following types of change exist in organizations.

1. Organization wide and subsystem change
2. Transformational and increment change
3. Remedial and development change
4. Planned and unplanned change

Change and Innovation

Innovation is the creation, development and implementation of new processes or service aimed at improving efficiency, effectiveness or competitiveness advantage. It may apply to products services, manufacturing process, managerial process or the design of an organization. Innovation is linked to creativity and creation of new ideas which triggers change and also used to manage change.

Gomez-Mejia, Balkan and Jarde (2010) opine that innovation is the key to long term success even in the face change. They stressed further that is important for the innovator(s) to have capacities to implement the ideas as a cost effective or commercially viable product or service is very critical.

Tactics for Introducing Change

When major changes occur as the world is experiencing now with the COVID19 scepticism and resistance is expected. Advanced preparation is often the key to successfully manage a change the following tactics are very critical in bringing about desired change according to Thomas and Annuizo (2005),

1. Communication and Education: This involves teaching employees about why the change is needed. It ensures Information flow to all concerned irrespective of position
2. Employee Involvement: This entails that every employee should be involved in the design and implementation of the change process. This is can be achieved through setting up of teams.
3. Negotiation: This entails making concessions and in exchange for their cooperation.
4. Top management support this involves top management being the model for change. Thus, change begins from them.

The Concept of Sustainable Development

The most quoted definition of sustainable development is that by World Commission on Environment (1987) which described sustainable development as development that meets the needs of the present generation without comprising the ability of future generational to meet their own needs.

Sustainable development entails the capacity to preserve over/time the three basic functions of the environment the resource supply function, the waste receiver function and direct usefulness. Also it can be seen as the capacity of an economic system to generate a constant and improving growth of its economical indicators in particular, the capacity to generate income and employment for the population.

Social sustainability involves the ability to guarantee welfare (security, health, education equitably distributed among social classes and gender). For this study, it means the capacity of management of organization to ensure survival, adaptation and achievement of desirable objectives continuously in the face of change in the present and future.

Theoretical Framework

This paper used three models which help organization to effectively change anticipate deal with potential problems and implement change

1. **Star Model:** this model which was developed Jay Galbraith in 1939. Involves a five pointed star with each point representing a critical factor in organizational change. the factors are:
 - a. Type of change : what type of change is needed
 - b. Structure: how people are grouped together and decisions made. Does the structure support the change or impede it?
 - c. Reward System: what do people get paid and rewarded for?
 - d. Processes: how is information communicated and behaviour controlled in the organization?
 - e. People: what people skills within the organization or do they need to be trained or hired from outside the organizations?The model identified the essence of people and strategy in the management of change.

2. **Three Step Model:** Kurt Lewin developed in 1947, the three step model of organizational change it involves:
Unfreezing → Change → Refreezing
 - a. Unfreezing: involves melting resistance by giving people new information that makes them aware that the status quo is unacceptable and that some type of change is required.
 - b. Change: involves departure from the status quo that is moving stage with new things.
 - c. Refreezing: involves establishment of new practices, values and standard behaviours.

The theory focuses on people involvement in the process of change, by accepting, adjusting and adapting to change.

3. **Force Field Analysis Model:** This was developed by Kurt Lewin in 1940s, which stated that two sets of opposing forces are at equilibrium before a change takes place. The force consists of driving forces which are pushing. For change and restraining forces which are opposed to change when the two forces are evenly balanced the organization is in a status quo state and does not change.

X-raying the models review critical factors like, types of change, structure, reward system, processes and people which are critical in management of change if organizations must achieve desirable objectives. The management of these factors have been in the fore-front of nations who are succeeding in the fight of COVID19.

Methodology

The population of the study is made up 230 academic staff of Federal polytechnic Nekede, Federal University of Technology Owerri and Imo state University in Imo State while the sample size was determined by Taro Yemere formular= $\frac{N}{1+N(e)^2}$

$$n = \frac{230}{1+230(0.05)^2} = 178$$

147 Questionnaire were properly filled and returned out of the 178 representing 82.6%.

The study adopted descriptive survey technique, both primary and secondary sources of data were used. Questionnaire is the main instrument of data collection. , research questionnaire were analyzed with simple percentage and frequency tables while the hypotheses were tested with chi-square statistical tool at 5% level of significance.

Data Presentation / Interpretation

Research Question One:

How does management of change strategy of employee involvement in change process affect organization survival and profitability?

Table1: Employee involvement and organizational survival and profitability

S/N	Question	SA	A	UN	D	SD	Total
1.	Involvement of employees in change management has the potential of organization achieving new capabilities	28 19.1%	76 51.1%	10 6.8%	19 12.95	14 9.5%	147 100%
2.	Involving employees in the management of change increase their confidence and belief in the organization culture.	32 21.8%	87 59.1%	12 8.2%	12 8.2%	4 2.7%	147 100
3.	Involvement of employees in the management of change enable organizations to know the right techniques to be used to achieve success.	41 27.8%	71 48.3%	12 8.2%	11 7.5%	12 8.2%	147 100%
4.	Involvement of employees enable organizations to determine and focus on their competencies to survive.	81 55.1%	35 23.8%	11 7.5%	6 4.1%	14 9.5%	147 100%
5.	Employee participation in change management process facilitates organizational profitability	98 66.7%	21 14.3%	3 2%	20 13.6%	5 3.5%	147 100%

Source: Field Survey 2020

Research Question Two

What is the relationship between management change strategy of innovation and organization competitiveness?

Table 2: Management change strategy of innovation and organization competitiveness

S/N	Question	SA	A	UN	D	SD	Total
6.	New products invention/ improvements created due to change have given organization competitive edge	56 38.1%	41 27.9%	3 2%	14 9.5%	33 22.5%	147 100%
7	Engagement in aggressive research and Development by organizations have enhanced competitiveness of firms in utilizing opportunities	60 49.8%	45 30.6%	- -	20 13.6%	22 15%	147 100
8	Innovation which reveals capacities and core competences has improved firms competitiveness in various industries	77 52.4%	34 23.1%	- -	17 11.6%	19 12.9%	147 100%
9	Innovation often lead to collaboration, merger and acquisition which facilitates competitive advantage	91 61.9%	34 29.3%	- -	3 2%	10 6.8%	147 100%
10	Innovation enhances education and training of employs which leads to quality personnel advantage	50 34%	73 49.6%	- -	14 9.41%	10 7%	147 100%

Source: Field Survey 2020

Test of Hypotheses

Ho1: There is no significant relationship between management of change strategy of employee involvement and organizational survival and profitability.

Table 3: Chi-Square Result for Hypothesis 1

Chi-square Calculated	9.398
Chi-square Table	5.132

Source: Researchers Computation (2020)

Since X^2_{tab} is 5.132 and X^2_{Calis} 9.3981 Null hypothesis was rejected which mean that there is a significant relationship between management of change strategy (involvement of employee) and organizational survival and profitability.

Ho2: Management of change strategy of innovation does not significantly affect organizations competitiveness.

Table 4: Chi-Square Result for Hypothesis 2

Chi-square Calculated	8.4912
Chi-square Table	5.132

Source: Researchers Computation (2020)

Since X^2_{tab} 5.132 while X^2_{cal} is 8.4912 we reject Null hypothesis which means there is a significant relationship between management of change strategy of innovation and organization competitiveness.

Findings / Discussion

Finding from the study revealed that during change, involvement of employee in the process lead to organizational survival and profitability. Pople and VendeVen (2004) quoting Amit and Schoemaker (1993) corroborated the findings by stating that involvement of employee's leads to superior performance which is expected to increase from survival and its ability to adapt to changing environments. Also it increases employees confidence and belief in the organizational culture, reveal their knowledge, competencies and techniques required to effectively manage the change. In support of this Singe (2012) in his dance of change stressed the need for employees to understand why change is happening and making them to be part of it, will reduce the limitations of achieving desirable change objectives. The study further revealed that management of change strategy of innovation significantly affect organizations, competitiveness because innovativeness brings improvements, and even inventions new product, also innovation as a change strategy has led to firms establishing research and developments units, identifying their capacities, core competencies, educating and training of their employees. All these give firms competitive advantage in the industries.

Conclusion and Recommendations

Change is inevitable but if not proactively managed with the right strategy it does not creates a palatable situation for both organizations and employees, thus, it was concluded that employees involvement and innovation strategies in the management of change are critical to organizational survival, profitability and competitiveness. The following recommendations were made:

1. Employees should be in change process because it involvement brings out their capabilities, intellectual abilities and competencies which are needed to design and execute programmes of change in a desired direction.
2. Employees should be engaged to use their creativity and innovativeness to create new products and new markets. Hence management should create enabling environment for innovations.
3. Employee education and training are strategic to the management of change since it will enable them to constantly monitor activities in the business environment, increase their understanding and ensure that the right techniques are used.

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Appendix I

Chi – Square Calculation Table for Hypothesis One

Question Items	Top Management	Middle Management	Lower Management	Total
1	25(36)	55(45)	67(60)	147
4	37(48)	50(72)	60(80)	147
5	35(36)	52(54)	60(60)	147
Total	97	157	187	441

Appendix II

Chi – Square Calculation Table for Hypothesis Two

Question Items	Top Management	Middle Management	Lower Management	Total
6	30(37)	50(72)	67(83)	147
7	32(42)	55(45)	60(61)	147
10	35(36)	52(54)	60(60)	147
Total	90	157	187	441