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CHAPTER II

REVIEW OF RELATED LITERATURE

This chapter presents the rationale for conducting research on relationship between individual factors and coping with organizational change and also the relationship between coping with change and outcome variables such as organizational commitment and job satisfaction based on the review of past research studies. Armenakis and Bedeian (1999) reviewed theoretical and empirical research studies on organizational change published between 1990 and 1998. These studies are divided into the four major themes such as 1) content issues, which are mostly focused on the substance of contemporary organizational changes; 2) contextual issues, which are mainly concentrated on forces or conditions present in organization's external and internal environments; 3) process issues, which are concerned with actions undertaken during the establishment of an intended change; and 4) criterion issues, which deal with outcomes usually evaluated in organizational change. Affective and behavioural reactions was also examined during this process. Many researchers have conducted study to establish the relationship between either individual factors and coping or with organizational commitment and job satisfaction. Very few researches has been conducted to find out the mediational effect of coping with change ie., the antecedents and consequences of coping with change.

Individual factors are important elements as for as organizational behaviour is concerned. Review of research studies helped in identifying important individual factors and also to identify the combined effect of those factors for the present study.
Two important attitudes which are widely studied in organizational context are 1) organizational commitment and 2) job satisfaction. More recent researches considered individual factors as antecedents of work related attitudes such as job satisfaction (Locke, 1976). Job satisfaction focuses on the attitudes of the employees towards job and organizational commitment focuses on the attitude of the employee towards overall organization.

The present chapter is organized under the following headings:

1. Individual factors and coping with change
2. Individual factors, organizational commitment & job satisfaction
3. Organizational change, organizational commitment & job satisfaction

The review of research literature was done through the following resources

1. Psychological research journals from India and Abroad.
2. Organizational and Management journal from India and Abroad.
3. Published and Unpublished theses on the subject
4. Internet sources (key words: personality, coping with organizational change, organizational commitment and job satisfaction).

**2.1 INDIVIDUAL FACTORS AND COPING**

Ashford (1988) conducted research among employees working in Bell Telephone operating company which underwent a major organizational transition. Both coping resources and coping responses among the employees were assessed. 180 employees participated in the research. Self-efficacy, locus of control, self-esteem, tolerance to
ambiguity were the coping resources and coping responses used were appraisal focused coping, problem focused coping and emotion focused coping. It was found that there was a significant relationship between coping resources and coping responses. Personal control and tolerance of ambiguity were found to be buffers of the transition related stressors.

Peacock and Wong (1996) examined the locus of control beliefs and optimism as predictors of control appraisals and coping associated with three different anticipatory stressful situations. The objectives of the study were (1) to determine whether locus of control beliefs and optimism independently predict control appraisals, (2) to investigate whether control appraisals, locus of control, and optimism independently contribute to the prediction of coping, and 3) to determine whether these relations, as well as ratings of control appraisals and coping, are consistent across stressors differing in controllability. The present study utilized a within-subjects design in which undergraduates reported their control appraisals and coping for three different anticipatory stressors, namely employment decisions, teacher bias and natural disasters. The subjects were undergraduate students enrolled in an introductory psychology course. One hundred thirty-three students participated at Time 1. Two weeks later at Time 2, 118 of these students (89 females and 28 males) completed the second package of questionnaires. Univariate orthogonal planned comparisons were conducted to test the difference among various stressors. Multiple regression analyses were used to examine locus of control and optimism as predictors of control appraisals. There were three important findings of this study. First, result revealed that there was a clear and consistent difference in both control appraisals and coping
across stressors. Second, optimism and locus of control beliefs were relatively independent predictors of control appraisals. Third, when coping was the criterion, control appraisals were generally better predictors than optimism and locus of control; the relations between control appraisals and coping were generally consistent with predictions from the congruence model of effective coping.

**Hoffi-Hofstetter and Mannheim (1999)** conducted a study to find out the individual coping resources and organizational patterns that explained the responses of mid-level managers to organizational recovery after decline. The study sample consisted of 252 managers in Israeli enterprises recovering from organizational decline. The organizations were selected according to three major criteria, namely organizational decline during the 3 years preceding the declaration of a recovery plan, the formal and public declaration of a recovery plan in the year prior to the year of data collection, and size. The respondents were intermediate level managers, in ranks above immediate supervisors and below the general manager. This rank is located centrally in organizational activities, it has a definitive impact on daily work, yet its role expectations are rather indeterminate and it is vulnerable to change. In most organizations, all mid-level managers were selected. Altogether, the number of respondents per organization ranged from 9 to 17, totalling 265, all of them survivors of a severe organizational downturn. Of these, 252 were interviewed, a return rate of 95 per cent. In addition, as stated above, 33 top managers were interviewed, one or two in each organization, in order to verify data on the extent of decline, and their perception of threat to the existence of the organization. Twenty-eight per cent of the mid-level managers worked in organizations which had survived severe threat, 33 per
cent had survived considerable threat, and 39 per cent had survived some threat. The responses deliberated in the research were citizenship responses, negative responses, the wish to exit and acts to exit the organization. Hypotheses were formulated based on these responses to individual coping resources of job involvement, self-esteem and locus of control, and to organizational factors of organic processes, top management support, and organizational opportunities. Findings suggested that most coping resources and organizational patterns correlated with type of response: citizenship behaviours were related to job involvement, internal locus of control, self-esteem and to perceptions of opportunities and organic processes in the organization. These responses were negatively related to external locus of control. Negative behaviour was negatively related to job involvement, self-esteem, perceived organizational opportunities and organic processes. The wish to exit negatively correlated to job involvement, external locus of control, and perceived opportunities and positively to self-esteem. Neither coping resources, nor by organizational factors predicted the wish to exit. Three-stage multiple regression analyses revealed that individual coping characteristics reduced the impacts of organizational factors for most responses.

**Wanberg and Banas (2000)** conducted a longitudinal study to examine a set of individual differences and context-specific predictors of employee openness (i.e., change acceptance and positive view of changes) toward a set of workplace changes. Three individual differences variables (self-esteem, perceived control, and optimism) and five context-specific variables (change information, participation, change-specific self-efficacy, social support, and perceived impact) were considered as predictors of employee openness to the changes during HUD reorganization. Job satisfaction, work-
related irritation, intention to quit, and actual turnover were considered as the significant outcome variables. The participants were the employees of two state chapters of the National Association of Housing and Redevelopment (NAHRO), a professional association of individuals working in the areas of public housing and community development. The study began in November 1996. At that time, NAHRO members were involved in a climate of change as a result of the restructuring of HUD programs and public housing industry regulations. For this study the employees were assessed three times. The predictors (the resilience and contextual variables) were assessed at Time 1. The attitudinal outcome measures (specific attitudes toward the changes and work-related outcomes) were assessed at Time 2 (2 months later). Actual turnover was assessed 14 months later (Time 3). Out of 209 individuals registered for the two conferences, 173 (83%) completed surveys in Time 1. 161 of the Time 1 respondents who had expressed willingness to be involved in a follow-up study were assess in Time 2 and the survey were sent through mail. The 130 individuals (33 men and 97 women) who responded in all three waves were considered for further analyses. Multiple regression and logistic regression were used to test the hypotheses. Personal resilience (a composite of self-esteem, optimism, and perceived control) was significantly correlated to higher levels of change acceptance. Three context-specific variables (information received about the changes, self-efficacy for coping with the changes, and participation in the change decision process) predicted employee openness to the changes. Less job satisfaction, more work irritation, and stronger intentions to quit were associated with low level of openness to change.
In another study done by Ravikumar and Kamalanabhan (2005) in a large public sector undertaking in India that had undergone a major change, examined the influence of personality factors on employees ability of coping with organizational change in the Indian context. Personality factor such as self-esteem, optimism, perceived control, and change self-efficacy were considered as independent variables. Coping with organizational change was the dependent variable. Demographic variables such as age, education, tenure, seniority on the employee’s ability of coping with organizational change have also been considered. The data was collected from a public sector undertaking. Variables were measured using questionnaire with 1558 employees across the country out which 449 (27.86%) returned the survey questionnaire. Results showed that personality factors—perceived control, optimism and change self-efficacy—had a significant positive correlation with coping with organizational change. Step wise regression analysis revealed that perceived control, optimism and change self-efficacy were the significant predictors of coping with organizational change. Perceived control alone predicted 28% of variance with dependent variable. Self-esteem had not been significant predictor of coping with organizational change. Demographic variables—seniority and education—indicated a significant positive correlation with the outcome variable and gender indicated negative correlation. VIF value indicated that multi-collinearity did not exist among the personality factors. ANOVA and regression analysis was used to find out the significant difference for demographic variables and for prediction of coping with change respectively. The study had implied the organization the importance of managing human behaviour as a part of change implementation process.
Cools and Van Den Broeck (2007) investigated the degree to which people from two different sectors differ in dealing effectively with change. Change is in fact the only constant in current work atmosphere. To manage change professionally is to manage uncertainty. Successfully coping with change is strongly influenced by the psychological predispositions of the managers who experience the change. Flemish entrepreneurs were compared with healthcare managers on four traits (locus of control, self-efficacy, tolerance for ambiguity, proactive personality) and on cognitive styles (i.e., individual preferences for organising and processing information). 177 entrepreneurs (10% response rate) and 60 healthcare managers (14% response rate) took part in the study. Entrepreneurs scored significantly higher on all traits than healthcare managers. Both samples were equated in terms of age, with a mean age of 47 years for the entrepreneurs and 46 years for the healthcare managers. Majority of the samples were men. Personality traits was significantly correlated with planning styles. Flemish entrepreneurs scored high on internal locus of control, self-efficacy, tolerance for ambiguity, and proactive personality than the healthcare managers. Healthcare managers scored significantly higher on the knowing and planning style than entrepreneurs. No significant differences were found for the creating style. The study throws light about the influence of particular characteristics in organisational change processes and to give relevant insights to design effective change management programmes.

Connor-Smith and Flachbart (2007) conducted a meta-analysis to find out the relationship between personality and coping. The study tested the moderators of relations between Big Five personality traits and coping. Articles published in
journals and also e-journals in English language between 1980 and 2004 were selected for the meta-analysis. A total of 124 published articles including 165 independent samples and 33,094 participants were considered providing 2,653 effect sizes. To analyze the effects, fixed effects model and random effects model were used. Personality was weakly related to broad coping (e.g. engagement and disengagement), but all 5 traits predicted specific approach in coping. Extraversion and conscientiousness predicted more problem-solving and cognitive restructuring way of coping. Neurotic individuals were engaged in problematic strategies like wishful thinking, withdrawal, and emotion-focused coping. Extraverts, used support seeking strategy. Personality factors strongly predicted coping in young samples, stressed samples, and samples reporting dispositional rather than situation-specific coping. Cross-cultural differences were also found out. Ethnically diverse samples showed more protective effects of personality. Results revealed that role of personality in the coping process required assessment of personality facets and specific coping strategies, use of laboratory and daily report studies and multivariate analyses.

Avey, Wernsing and Luthans (2008) examined whether employees’ positivity will have an impact on attitudes and behaviours. A model was proposed by the researchers to find the impact of psychological capital (hope, efficacy, optimism, and resilience), mindfulness, and positive emotions on attitudes and behaviours relevant to positive organizational change. The model depicted the inter correlations between PsyCap and positive emotions and this in turn are related to employee attitudes and behaviours relevant to positive organizational change. The model proposed that positive emotions mediate the relationship between PsyCap and attitudes and behaviours.
heterogeneous working adult samples from a wide cross-section of U.S. organizations were taken as participants of the study. Participant ages ranged between 18 years and 65 years with a mean age of 30.4 years with mean of 10.8 years of experience and 6 years at their existing organization. There were 68 men and 64 women. Hierarchical regression was used to find out the relationship between the variables. Baron and Kenny (1986) model of mediation was used to find out the mediational effect. Results indicated that the psychological capital (hope, efficacy, optimism, and resilience) was related to the positive emotions that in turn were related to the attitudes (engagement and cynicism) and behaviours (organizational citizenship and deviance) relevant to organizational change; further mindfulness (i.e., heightened awareness) interacted with psychological capital in predicting positive emotions; and positive emotions generally mediated the relationship between psychological capital and the attitudes and behaviours.

Kammeyer-Mueller, Judge and Scott (2009) investigated whether core self-evaluations (CSE) influence the coping processes. Personality traits such as internal locus of control, generalized self-efficacy, self-esteem and emotional stability were considered to be core self-evaluations. A meta-analysis was conducted to find out the relationship between CSE and coping. Data was collected from Psyc INFO database (1887–2006) for studies that referenced coping and at least one of the following search terms: locus of control, self-esteem, general self-efficacy, generalized self-efficacy, and emotional stability. The terms emotional adjustment, optimism, and hardiness were also included, which are close correlates of CSE. 2,344 studies were identified by the researchers. Inclusion criteria were met by 100 unique samples from
81 distinct publications database and were included for the final study. Meta-analysis demonstrated that CSEs were associated with fewer perceived stressors, lower strain, less avoidance coping, more problem-solving coping, and were not strongly related to emotion-focused coping. Consistent with the meta-analytic results, a daily diary study demonstrated that individuals with high CSE perceived fewer stressors, experienced less strain after controlling for stressors, and engaged in less avoidance coping. Both meta-analytic review and daily diary demonstrated that emotional stability was uniquely related to the stress and coping process and it moderated the relationship between stressors and strain. The authors distinguished between depressive self-concept of CSE and the anxiety and worry represented by emotional stability.

**Dijk (2009)** examined the employees’ level of stress as a result of change process. The study was conducted in Dutch bank organization who was part of a cancelled merger with another major bank organization - recently nationalized by the Dutch government. Self-efficacy was considered as an important factor to influence the amount of stress among employees. The study also identified perception of risk as a mediating factor in relation between self-efficacy and job stress. A total, 83 participants took part in this study. The age range of the participants was 24 to 34 with an average age of 28. Of the 83 participants, 52 were male (63%). All of them had completed their post-graduation. Most of the population had a financial education (35%) or a background in Business Administration (32%). Multiple regressions were used to test the correlation and Baron-Kenny (1986) method was used for mediational analysis. The results confirmed the influence of self-efficacy on job stress, and a mediating effect of risk perception with a reversal causation. These results implied
that during a downturn, self-efficacy of change negatively relates to job stress, and supports the view that self-efficacy will effect job stress. Mediating effect of risk perception cannot be confirmed due to reverse causation. The results suggested a strong linkage between job stress and risk perception.

Lamm and Gordon (2010) had done a study to find out the role of psychological empowerment and dispositional characteristics of change to behavioural support for organizational change. The study was conducted in two different organizations. The first set of respondents consisted of part-time MBA students of North-eastern University. Participants were asked to select one of three organizational changes that occurred in their professional organizations or another change within the last 6 months: a new boss, or a new technology or system. Respondents consisted of 141 men and 68 women. The second group consisted of employees (24 men and 63 women) of a medium-sized non-profit social services organization called New Beginnings (a pseudonym), which provides services such as career counselling, job training, and job placement. This setting was selected as it implemented a single organization-wide change rather than multiple changes. The result revealed that psychological empowerment is significantly related to behavioural support for organizational change. Pre dispositional resistance to change predicted the behavioural support in some context. The post hoc analysis revealed that out of four factors of dispositional resistance to change (routine seeking, emotional reaction, short-term thinking, cognitive rigidity) routine seeking and cognitive rigidity contributed to the variance for the MBA respondents. There was a negative association with organizational tenure and behavioural support for organizational change.
Smollan, Matheny and Sayers (2010) studied the role of personality and specifically its affective aspects with people experiencing the organizational change. They intended to study whether personality encourages people to drive, accept or resist change. Also interested in finding out which traits are particularly relevant, and most specifically, how individuals understand their own dispositional responses to organizational change. The study was qualitative in nature. As a part of project on organizational change the researchers interviewed 24 people in Auckland, New Zealand, from a variety of industries, organizations, functional departments and various hierarchical levels. The participants consisted of 13 men, 11 women, 16 European, two Maori, three Asian and three of Pacific Island. These participants are classified as change leaders, change managers or change recipients. Semi-structured interviews were conducted with questions like: “In terms of your personality how do you usually react to change?” which lasted from 60 to 90 minutes. Some comments were directly related to change, others more indirectly. All the comments were noted and recorded. The responses were classified under various personality traits. Traits such as openness to experience, resilience, pragmatism, change self-efficacy and locus of control were identified and it revealed participants’ perceptions of how they reacted to organizational change. The findings of the study pointed the important role of qualitative research into personality and its role in improving understanding of emotional responses to organizational change.
2.2 INDIVIDUAL FACTORS, ORGANIZATIONAL COMMITMENT AND JOB SATISFACTION

Many Researches had been conducted in the field of organizational psychology using dispositional trait approaches to investigate the individual factors, organizational commitment, and job satisfaction. This relationship typically examined the correlation between a single trait and job satisfaction; self-esteem, generalized self-efficacy, locus of control and emotional stability has been studied most frequently. Measures of these traits have been found to correlate positively with job satisfaction and organizational commitment.

In the research conducted by Frye (1996), emotional stability, is posited to be the construct that underlies self-esteem, generalized self-efficacy, locus of control trait measures. Especially emotional stability is the construct expected to have both direct and indirect (mediated through perceived job characteristics) causal effects on job satisfaction. A psychometric meta-analysis was conducted to estimate the true correlation among self-esteem, generalized self-efficacy, locus of control and emotional stability and between the four personality constructs, perceived job characteristics and self-reports of job satisfaction. Forty-five separate meta-analyses were conducted. Sample weighted mean observed correlations were corrected for sampling error and specific factor measurement error using generalizability theory reliability estimates. A meta-analytically derived matrix of the inter-correlations between traits, perceived job characteristics and job satisfaction was constructed and factor analyzed. Confirmatory factor analyses showed that measures of self-esteem, generalized self-efficacy, locus of control, and emotional stability loaded on one
factor which suggests that they are indicators of a single latent personality construct. Path analysis and structural equations modelling were applied to the meta-analytic data to assess the fit of a causal model depicting both direct and indirect relationships between emotional stability and job satisfaction. Contrary to previous research, the result of this study shows that emotional stability has both direct and indirect causal effects on job satisfaction with the indirect effect being slightly higher than the direct effect.

**Judge, Thoresen, Pucik and Welbourne (1999)** had conducted a study among managers to find out the relationship between dispositional traits and coping with organizational change. 7 dispositional traits such as internal locus of control, generalized self-efficacy, self-esteem, positive affectivity, openness to experience, tolerance for ambiguity, risk aversion were identified in the study. And it was hypothesized that these traits influence coping with organizational change. Also it was hypothesized that successful coping would result in carer outcomes. Managers (N = 514) from 6 organizations were randomly selected for the study. Regression analysis revealed the relationship between these traits and coping. Using principal component analysis 7 traits were reduced into 2 factors such as positive self-concept and risk tolerance. Positive self-concept consisted of internal locus of control, generalised self-efficacy, self-esteem, positive affectivity and risk tolerance comprised of openness, tolerance for ambiguity and risk aversion. Both the factors significantly predicted self-report and independent assessment of coping with change. Results indicated that coping with organizational change was related to extrinsic outcomes such as salary, job level, job performance and intrinsic career outcomes such as
organizational commitment and job satisfaction. Also the mediational effect of coping with organizational change between the dispositional traits and career outcomes was found out. Coping partially mediated half of the relationship between the dispositional factors and the career outcomes. In this study other personality factors like hardiness, optimism has not been considered which also influence the coping. One way analysis of variance with paired comparison was used to examine possible differences in the variables across the organizations. Principal component analysis was conducted to find out the multi collinearity of the personality traits. An important application of this study is recruitment and assessment of managers.

**Judge and Bono (2001)** done a meta- analysis to find out relationship of 4 traits—self-esteem, generalized self-efficacy, locus of control, and emotional stability (low neuroticism)—with job satisfaction and job performance. In order to do the meta-analysis, electronic search was made in Psych Info database for between the years 1967 and 1997. Studies which exposed a relationship between any of the four traits and either job satisfaction or job performance were included. Manual searches were also conducted for the past 40 years (1957-1997) of the two journals containing the most correlations as revealed by the electronic search (Journal of Applied Psychology and Personnel Psychology). After analysing the results of electronic and manual searches, researchers identified studies that reported on the relationships of interest during the past 10 years (1987-1997). The authors had identified 536 published studies and 224 unpublished doctoral dissertations for their study. After the inclusion criteria, 135 studies (169 correlations) that reported a relationship between one of the traits and job satisfaction and 81 studies (105 correlations) that reported a relationship
between one of the traits and job performance were considered for the final study. Meta-analysis was conducted based on calculated sample-sized weighted mean correlation for each of the four traits with the relevant criterion (job satisfaction or job performance). Second, correlations were individually corrected for measurement error in both the predictor and the criterion. With respect to job satisfaction, the estimated true score correlations were .26 for self-esteem, .45 for generalized self-efficacy, .32 for internal locus of control, and .24 for emotional stability. With respect to job performance, the correlations were .26 for self-esteem, .23 for generalized self-efficacy, .22 for internal locus of control, and .19 for emotional stability. In total, the results based on 274 correlations suggest that these traits are among the best dispositional predictors of job satisfaction and job performance.

Edwards (2002) assessed the relationship between openness to change and the individual difference variables of cognitive ability, conscientiousness, openness to experience, emotional stability, and customer service orientation, as well as contextual factors such as the quality of information provided regarding the change immediately following a series of interventions designed to improve customer service. The relationships between openness to change and the outcomes of job satisfaction, organizational commitment, and turnover intention following the organizational changes were also assessed. A program designed to improve the customer service of a retail chain was implemented by the organization under study. The basic objectives of the program were to (a) redesign the tasks of store associates to increase customer service, (b) enhance the accessibility and visual appeal of merchandise, and (c) improve the safety of the stores. The sample of the study was compromised of hourly
store employees of a large multi-national speciality retail organization. 2,140 participants were surveyed from 12 stores in a single market in the south east region of the United States of America. Of those surveyed, 391 employees returned the survey which was 18.27% response rate. Final sample size was 287 as the rest was found to have missing data. Analyses were done with 287 data only. Results of the analyses indicated that the individual difference variables of emotional stability and openness to experience and the contextual variables of management effectiveness in leading the change and utility of the change-related information provided to the participant were related to openness to change. Additionally, openness to change was significantly related to changes in affective commitment, normative commitment, and turnover intention. Relationships between the contextual variables and changes in organizational commitment, job satisfaction and turnover intention were mixed, with management effectiveness in leading the change showing the only consistent significant relationship with the three outcome variables. Finally, using the regression technique prescribed by Baron and Kenny (1986), affective commitment, normative commitment, and job satisfaction were each found to partially mediate the relationship between openness to change and turnover intentions. The results suggested that openness to change is largely influenced by emotional stability and openness to experience, but organizations also have the opportunity to influence openness to change through effective leadership and a carefully executed communication plan.

Ravikumar and Kamalanabhan (2005) had proposed a model in their study for coping with organizational change. The proposed model hypothesized that the responses to organizational change are influenced by a set of personality factors (Self-
esteem, optimism, perceived control, change self-efficacy), job related factors (job satisfaction, commitment to change, job security), context specific variables (information, participation, training, empowerment), environmental variables (IR climate, social support). The relationship between these variables and the reactions arising out of change initiative such as compliance, co-operation, championing and coping with organizational change was found out. Commitment to change has been used a determinant as well as a moderator in the study. Data was collected from 6 organizations which had undergone a major change. The study was conducted in two phases. In phase I, relationship between the independent variables (personality, job related variables, context specific variables and environment variables) and the dependent variables (compliance, co-operation, championing and coping with organizational change) was studied. In Phase II, interaction analysis involving independent variables and moderators to predict the dependent variables was studied. MANOVA had been used to find out the group difference in demographic variables (age, tenure, education, gender, involvement in union, change faced and change impact) on predicting dependent variables. Canonical correlation test was conducted to study the relationship between independent and dependent variables. Multiple regression analysis was conducted to study the association between the variables. Hierarchical multiple regression was conducted to study the moderating effect. It was found out that there was a strong relationship between independent and dependent variables. Affective, normative and continuance commitment to change served as moderators. The result provided an insight into the importance of the new constructs in a change implementation process.
Amiot, Terry, Jimmieson and Callan (2006) proposed a model to predict employee adjustment to organizational change. Interrelationships among the variables such as self-efficacy, coping and job satisfaction were depicted in the model. A longitudinal approach was used to examine the stress and coping processes emerging as the merger proceeds. The study also considered both the immediate and the antecedents that predict employees’ adjustment to a merger. To test the hypothesized model a sample of fleet staff who had been previously employed in either one of two airline companies—a domestic (short-haul) airline and an international (long-haul) airline—that had merged into a new company that had retained the name of the latter airline. First study was conducted 3 months after the implementation of the major changes associated with the merger. Soon after the merger agreement had been formalized, the second phase of the study was conducted after two years. A total of 662 respondents completed the first questionnaire. A total of 465 employees completed the second questionnaire. Version 6.1 of the EQS/Windows program was used to test for the validity of the hypothesized SEM model. The model’s goodness of fit was assessed by using the chi-square ratio, the Comparative Fit Index (CFI), the root mean residual (RMR), and the root mean square error of approximation (RMSEA). Structural equation modelling analyses revealed that positive event characteristics predicted greater appraisals of self-efficacy and less stress at Time 1. Self-efficacy, in turn, predicted greater use of problem-focused coping at Time 2, whereas stress predicted a greater use of problem-focused and avoidance coping. Finally, problem-focused coping predicted higher levels of job satisfaction and identification with the merged
organization (Time 2), whereas avoidance coping predicted lower identification. The study implied the importance of coping during change process.

**Oreg (2006)** proposed a model for resistance to organizational change. Resistance was conceptualized as a multifaceted construct. Relationships among resistance components, employees’ personalities, the organizational context, and several work-related outcomes were examined. The study was conducted in an organization where change process has been initiated. Relationship among dispositional resistance to change (routine seeking, emotional reaction, short-term focus, cognitive rigidity) and context (power and prestige, job security, intrinsic rewards, trust in management, information and social influence) on affective, behavioural and cognitive resistance was examined. It was also examined the mediational effect of resistance to change on job satisfaction and organizational commitment and intention to leave. The present study was conducted in an organization in the defence industry, consisting of approximately 800 employees. The organizational change consisted of a merger of the two core units within the organization. Two hundred and thirty six surveys were returned (30%). Of these, 59 were filled out by employees who joined the organization after the change was implemented, leaving 177 surveys for the analyses. Eighty-eight per cent of respondents were men, fifty-four per cent had management positions (i.e., had at least one subordinate), the mean age was 45 years (SD=12), and the mean years of tenure was 13 (SD=12). Structural equations modelling (SEM), with the AMOS software package was used to test the study’s path model. Resistance to change personality trait showed a strong association with the affective component and a weaker, yet still significant, association with behavioural intention to resist.
Anticipated changes in outcomes, such as job security, intrinsic rewards, and power and prestige, were associated with the affective and cognitive components of resistance. Job security had its strongest relationship with employees’ affective reaction to the change, threats to power and prestige had their strongest relationship with cognitive resistance, and threats to intrinsic rewards were significantly correlated with both affective and cognitive resistance. Trust in management and social influence concerning the change, were all associated with the behavioural component of resistance. In precise, Both personality and context have been found to significantly associated with employees’ attitudes towards a large-scale organizational change. These attitudes were, in turn, significantly associated with employees’ job-satisfaction, organizational commitment, and intention to leave the organization.

Hui Fang-lee (2007) examined the relationships among personality traits (Big Five), self-efficacy, and organizational commitment in the fitness centre staff of various fitness centres in Taiwan. The target population in this study incorporated upper-level managers, middle-level managers, and employees in a total of 140 fitness centres. Using cluster random sampling the final sample of the study included 46 fitness centres: 27 in the north, 8 in the central, and 11 in the south of Taiwan. Simple random sampling was used to choose staff at each centre. A total number of 428 valid questionnaires were obtained from the participants. SPSS 14.0 and LISREL 8.72 statistical analysis were used to analyse the data. Structural Equation Modelling (SEM) and Confirmatory Factor Analysis (CFA) were used to evaluate the structural reliability and validity of the instruments and to explore models of the hypothesized relationships among personality traits, self-efficacy, and organizational commitment.
The research findings indicated that the NEO-Five Factor Inventory (NEO-FFI), the Generalized Self-Efficacy Scale (GSE), and the Organizational Commitment Questionnaire (OCQ) have good construct reliability and convergent validity, and that the instruments have reached good fit levels of the models to the data. Specifically, the final model in SEM showed that the fit indexes were within the acceptable levels, and that the results of the analysis produced an acceptable model. The key findings pointed out eight significant paths and one mediated variable of self-efficacy.

In the context of a large scale organizational implementation, Rodda (2007) examined relationships between post-change performance and change process variables (i.e., communication quality, participation in the change process, supervisory support of change), individual differences (i.e., coping with change, self-efficacy), change reactions (i.e., commitment to change and job satisfaction). The data for this study were collected from five different U.S.-based plants of a three billion dollar, Fortune 500 manufacturing organization headquartered in the United States. The participants in this study were line and managerial employees from the five plants participating in the first wave of the organization’s technology implementation. These plants are located in five different cities throughout the Midwest. Data were collected from 637 employees in 79 workgroups spanning the production departments across the five different plants. The final usable data set consisted of 503 Hourly employees, comprising 79 workgroups (average group size of 7.76). Regression was used in analyzing the hypotheses. Multiple linear regressions were used to analyze the predictive hypotheses. Baron and Kenny’s (1986) approach to analyzing mediation was utilized to measure the mediation hypothesis. At the individual level, supervisor
support and participation in change were related to commitment to change and job satisfaction and these relationships were mediated by coping with change and change-related self-efficacy. Contrary to expectations, change-related communication was not a significant predictor of change commitment or job satisfaction. At the workgroup level, employee commitment to change accounted for important variance in productivity measures collected after the implementation (above and beyond initial productivity levels). In addition, commitment to change mediated the relationships between workgroup-level change process variables and workgroup performance. Support of these hypotheses can help guide large-scale organizational implementations from an employee-oriented perspective. This study consistently demonstrated the importance of the supervisor in influencing employee reactions to change. Most importantly, this study indicated that employee commitment to the organizational implementation was related to important post-change performance variables.

Gomes (2009) intended to clarify the relation between perceived efficacy of organizational change processes and job satisfaction, and also, the role of organizational commitment in this relation. The author proposed a model in which perceived change efficacy is a predictor, with job satisfaction as the criteria variable, and organizational commitment is a mediator. 153 workers of an organization of the hotel business industry voluntarily participated in the study. This sample had mostly male participants (55%), and included all the work areas of the organization (5 work areas of the hotel business industry). Participants of this study responded to a questionnaire composed of measures of organizational commitment, perceived
efficacy of organizational change processes and job satisfaction. The Harman test was performed to assure that the collected data did not have any significant amount of common method bias. An exploratory factorial analysis (EFA) with varimax rotation was conducted including all the items of the variables of the model of analysis. Baron and Kenny’s (1986) linear regression method was used to verify the existence of a mediation effect. Main results showed that organizational commitment exerts a mediational effect in the relation between perceived efficacy of organizational change processes and job satisfaction. Main conclusion is that the way the organizational change processes are perceived to be effective lead to an affective bond with the organization, which in turn, leads to job satisfaction.

Wilson (2010) conducted a study that extends Oreg’s model examining the effects of dispositional and attitudinal (i.e., cognitive, affective and behavioural) resistance to change on organizational outcomes including job satisfaction, intention to quit, and continuance organizational commitment. Previous studies in change literature, examined dispositional and attitudinal resistance in the context of a specific organizational change event. The current study introduced three concepts to the previous line of research (1) examined the relationship of a worker's perceived degree of change at the individual, work relationship, and department level to dispositional resistance and attitudes toward change; (2) tested the generalizability of the relationship of dispositional and attitudinal resistance to organizational outcomes in a broad set of organizational change event contexts; and (3) proposed a new 2-dimensional measure of continuance organizational commitment to the resistance to change literature. Results of a path analysis of the hypothesized structural model did
not show perceived degree of change being significantly related to dispositional and attitudinal resistance. Through subsequent multiple regression tests, perceived degree of organizational change in an employee's work relationships had a significant and positive relationship to behavioural resistance. Perceived degree of change in an employee's department had a significant and positive relationship with affective and behavioural resistance. Behavioural resistance had a significant and positive relationship with intention to quit. Information about the change event had a significant and negative relationship with the level of cognitive resistance. Cognitive resistance was not shown to be significantly related to the Economic Exchange or the Few Alternatives dimensions of the continuance organizational commitment construct. Practical implications include attending to the perceived degree of change to work relationships as an important predictor of attitude toward change. Second, adequate, valuable and timely information about an organizational change event reduces a worker's negative thinking toward the change. It is suggested that future research test the proposed model in single-organization contexts.

Khodabakhshi (2012) determined the relationship between staff's organizational commitment and its relation with Myers – Briggs' personality types. This study was conducted on 300 employees of city bank in Tehran. In this study, Carl Jung's theory was used to assess personality types that Myers - Briggs have produced its questionnaire. This questionnaire studies normal subjects' personality types in extraversion -introversion, sensing - intuitive, emotional - thoughtful domains. In order to measure organizational commitment Allen Meyer's questionnaire has been used to determine organizational commitment in affective, normative and continuous
areas. Using statistical analysis and regression the results demonstrate that there is a significant positive relationship between the extroverted personality types with organizational commitment and extroverts generally have higher organizational commitment. Thinking and judging types have also higher organizational commitment compared to other types. The introverted personality types, emotional, and thoughtful people have less organizational commitment and they show significant negative correlation with organizational commitment.

2.3 ORGANIZATIONAL CHANGE, ORGANIZATIONAL COMMITMENT AND JOB SATISFACTION

Jimmieson, Terry, and Callan (2004) examined the role of information, efficacy, and 3 stressors (effectiveness of the leadership, extent to which the implementation process is consultative, and how much information is communicated to employees) in predicting adjustment to organizational change. The context for this research was a state government department in the Queensland Public Service (QPS) undergoing a significant change in its strategic direction. A longitudinal research design was used in which the predictor variables (including negative affectivity) and the indicators of employee adjustment were measured at Time 1 (T1), approximately 3 months into the implementation phase of the organizational changes. Outcome measures again at Time 2 (T2), 2 years after the collection of the T1 data. Questionnaires were sent to 1,222 employees state wide. Five hundred and eighty-nine employees provided data at T1, providing a response rate of 48%. Employees who completed the T2 questionnaire amounted to 36% of the T1 sample (N = 213). Hierarchical multiple regression was used to examine the main, mediating, and moderating effects of change-related
information, change-related self-efficacy, and three change-related stressors in predicting levels of adjustment for employees undergoing a large-scale organizational change process. The analysis revealed that employees who perceived higher levels of change-related information and change-related self-efficacy at T1 reported higher levels of psychological well-being, client engagement, and job satisfaction in the early phases of the change process. To examine if the predictor variables had long-term effects on adjustment, the authors assessed psychological well-being, client engagement, and job satisfaction again at a 2-year follow-up. At Time 1, there was evidence to suggest that information was indirectly related to psychological well-being, client engagement, and job satisfaction, via its positive relationship to efficacy. There also was evidence to suggest that efficacy was related to reduced stress appraisals, thereby heightening client engagement. Last, there was consistent support for the stress-buffering role of Time 1 self-efficacy in the prediction of Time 2 job satisfaction.

Martin, Jones and Callan (2005) conducted a research that tested a theoretical model of employee adjustment during organizational change based on Lazarus and Folkman’s (1984) cognitive phenomenological framework. The model hypothesized that psychological climate variables would act as coping resources and predict improved adjustment during change. The present study depicted a model in which inter correlation of variables such as psychological climate (unique dimension, stake holder dimension, supervisory support), change appraisal (change stress, change control, change self-efficacy) and adjustment indicators (psychological well-being, job satisfaction and organizational commitment) was presented. The first study was
conducted in a large public hospital where employees were experiencing the introduction of large-scale organizational change. A total of 779 surveys were returned for analysis—a 49% response rate. The sample consisted of 70% women and 30% men; 62% of participants were aged 20 – 40 years and 38% were aged 41 and over. Thirty-seven percent of participants had worked at the hospital for a period of 2 to 5 years and twenty-three per cent had worked there from 6 to 10 years. The second study was conducted in a large, public sector organization. The organization had undergone significant change and restructuring, including a demerger with another state government organization that they had merged with some 3 years previously. 877 completed questionnaires were received—a 68.4% response rate. The sample was 47% male and 53% female. Ages ranged from under 20 years to over 50 years, and 26 – 30 years was the most frequently selected category. Confirmatory factor analysis was used to test the adequacy of the measurement models. Structural equation modelling was used to test the utility of the theoretical models proposed in the present research. Results showed that employees whose perceptions of the organization and environment in which they were working (that is, psychological climate) were more positive, were more likely to appraise change favourably and report better adjustment in terms of higher job satisfaction, psychological well-being, and organizational commitment, and lower absenteeism and turnover intentions.

Ruiten (2007) conducted a study to find out the influence of employees’ voice and organizational commitment during change. This study examined how employee voice in times of organizational change, the employee – line manager relationship and trust in the organization influence employees’ organizational commitment using social
exchange theory. It was hypothesized that employee voice in times of change positively influences employees’ organizational commitment directly as well as symbolically through a stronger perceived employee – line manager relationship and through enhanced trust in the organization. In addition, it was hypothesized that the direct effect between employee voices in times of change is partially mediated by both symbolic effects, the employee – line manager relationship and trust in the organization. A sample of 2,291 employees working in 8 different organizations active in a variety of sectors in the UK and undergoing large scale organizational change out of which 3 public and 5 private sector companies active in financial services, manufacturing and consultancy sectors was taken for the study. Employees’ voice during change was the independent variable, organizational commitment was the dependent variable and Employee – line manager relationship and trust in the organization was the mediational variable. The conceptual model and hypotheses are tested using Baron and Kenny’s (1986) stepwise mediation model. In the analysis, age, job grade, tenure and organization are controlled for, because these variables may influence the dependent variable organizational commitment. The result revealed that the partially mediating effect of trust in the organization is stronger than the partially mediating effect of employee – line manager relationship. In addition, the mediating effect through employee – line manager relationship is less important, whereas the mediating effect through trust in organization is more important than the direct effect between employee voice in times of change and organizational commitment, almost substituting it. Unexpected results revealed that trust in organization and employee – line manager relationship are correlated to each other. In times of organizational
change, people in organizations remunerate employee voice with organizational commitment more as a result of improved trust in the organization compared to a stronger perceived employee – line manager relationship.

**Tziner, Manor, Vardi and Brodman (2008)** conducted a study to find out the extent to which personality traits account for the unique variance in job satisfaction and organizational commitment. The sample consisted of 96 employees from two departments in each two public institutions. The average age of the participants was 28 with 75% men and 17.7% women. The average job tenure was 6.4 years. The NEO Five Factor Inventory was used to measure the personality factors. The Minnesota Satisfaction Questionnaire was used to measure the job satisfaction. Organizational commitment was measured by the tool developed by Tziner and Murphy (1999). A regression analysis was performed to examine the associations of the factors with job satisfaction and organizational commitment. It was found out that Agreeableness, Openness to experience and conscientiousness were significantly correlated with job satisfaction and organizational commitment. Combined these factors accounted for an impressive 58% and 44% of the explained variance in job satisfaction and organizational commitment respectively.

Organisational change is complex and is accompanied by cognitive, affective and behavioural responses from employees, but little research has been conducted to show how these responses are related to organisational commitment. A study conducted by **Visagie and Steyn (2011)** addressed this gap by exploring whether levels of organisational commitment are related to employee attitudes towards change, and
whether these attitudes are related to the manner in which employees perceive the change process. Researchers had proposed a model for organizational change. The proposed model was conceptualized based on the idea that the more favourably employees perceive change initiatives and processes (causal variables), the more favourable their attitudes, thoughts and behavioural intentions towards the change (intervening variables) will be, and the higher their levels of organisational commitment (outcome variable). The causal variables under perception of change processes and initiatives are communication and training. Intervening variables are cognitive and affective responses to change (need for change, change confidence, personally beneficial, organisationally beneficial) and behavioural intentions (change readiness, change resistance). The outcome variables are affective commitment, normative commitment, and continuance commitment. A total of 380 employees who were employed in the service unit at the time of the research were administered with the questionnaire. The survey questionnaire was completed by 113 respondents, representing a response rate of 30 per cent. Almost 63% of the samples were male, and the mean age of respondents was 35 years. To test the relationships between the causal, intervening and outcome variables measured in the study, the Pearson product-moment correlation coefficient between each pair of variables was assessed. The findings indicated that affective and normative commitments are positively associated with change readiness, personal and organisational valence. Change readiness, personal and organisational valence are, in turn, positively associated with employee perceptions of change communication and training.
2.4 SUMMARY OF REVIEW OF RESEARCH STUDIES

As a summary of review of research studies mentioned in this chapter, review reported by Oreg, Vakola, and Armenakis (2011) is presented below with justification for the variables indentified for the present study.

Oreg, Vakola, and Armenakis (2011) reviewed quantitative empirical studies of change recipients’ reactions to organizational change for a meta-analysis. The authors searched the literature using terminology typically associated with organizational change. Specifically, in the PsychInfo and Proquest databases, also conducted an electronic search of the abstracts for the terms reactions to change, resistance to change, openness to change, attitudes toward change, willingness to change, readiness to change and receptivity to change. This initial search yielded more than 600 articles published (a) as early as 1948 (Coch & French, 1948) and (b) in many diverse journals, which complemented those that typically publish organizational change research. In the manual search of journals, 10 journals were identified which published empirical articles on organizational change, from the period 1980 through 2007. This resulted in an additional 78 articles that were not identified in the electronic search. The selection of journals included the following: Academy of Management Journal, Human Relations, The Journal of Applied Behavioural Science, Journal of Applied Psychology, Journal of Management, Journal of Management Studies, Journal of Organizational Behaviour, Journal of Organizational Change Management, Organization Science, and Personnel Psychology. Thus, the total number of studies for the analysis approximated 700. Finally after considering only the quantitative studies, the number of articles that met the criteria amounted to 79,
which spanned the period 1948 through 2007. A model was developed by the researchers based on the reviews. The model is intended to depict the relationships among pre-change antecedents (i.e., change recipient characteristics and internal context), change antecedents (i.e., change process, perceived benefit/harm and change content), explicit reactions (namely, affective, cognitive, and behavioural reaction components), and consequences of an organizational change (i.e., organizational commitment, job satisfaction and work performance). The authors had concluded their study with following theoretical.

1. Researchers should be clear about the distinction between pre change antecedents, change antecedents, explicit reactions, and change consequences, and reflect these distinctions in the terminology used.
2. Particular distinction should be made between explicit reactions and change consequences.
3. Greater attention needs to be given to the match between the nominal definitions provided and the scales used to tap variables.
4. Studies should be conducted with multiple organization instead single organization. Data can be collected from companies with multiple branches, undergoing a company-wide change, or in the public sector, in which a government-initiated change simultaneously influences numerous organizations.
5. The role of the change agents’ responses to organizational change has to be studied.
6. The analysis of the interrelationships of antecedents’ variables, including mediation and moderation effects requires much greater attention.

7. More number of research to conducted with organizational commitment and its role on influencing organizational change.

8. Individual Dispositional characteristics play a vital role in change process.

Keeping these observations and findings of various research studies mentioned in this chapter an overview is given below

2.5 AN OVERVIEW

Organizational change can evoke emotions as staff consider both positive and negative outcomes of the process (Fineman, 2003; Huy, 2002). Lay people often refer to people who do not want to move out of their ‘comfort zones’ (Wanous, Reichers & Austin, 2000; Bareil, Savoie & Meunier, 2007) Wanberg and Banas (2000) revealed that self-esteem, optimism and perceived control were related to acceptance of change. Avey, Wernsing and Luthans (2008) found that a combination of hope, efficacy, optimism and resilience led to positive emotions and support for change. Self-efficacy, and more specifically change-related self-efficacy, was found to be to be a significant variable in many researches (Wanberg & Banas, 2000; Jimmieson, Terry & Callan, 2004; Herold, Fedor & Caldwell, 2007; Holt, Armenakis, Feild & Harris, 2007; Rudisill & Edwards, 2002). Lau and Woodman (1995) found a significant relationship between locus of control and the formation of change schemata. Spector (1982) conducted a qualitative review of the research at work place. His review demonstrated that internals very often have higher levels of job motivation, job performance, job satisfaction, and leadership than do externals. Many
research studies indicated neuroticism was negatively related with organizational commitment (Syed, Saeed, & Farrukh, 2015). Some studies pointed out that there was a negative relationship between neuroticism and affective commitment (Gelade, Dobson, & Gilbert, 2006; Naquin & Holton, 2002). Naquin and Holton (2002) found that neuroticism was significantly and negatively associated with affective commitment. In a study of managers, Judge et al. (1999) found seven personality factors predicted reactions to change, which they grouped into two main categories. Positive self-concept includes locus of control, self-efficacy, self-esteem, and positive affectivity, while risk tolerance includes openness to experience, tolerance of ambiguity and risk aversion. In particular, tolerance for ambiguity and positive affectivity were strongly correlated to self-reported ability to deal with change. Also coping with organizational change mediated the relationship between positive affectivity and tolerance for ambiguity with organizational commitment and job satisfaction. Hence the present study aimed at finding out the influence of individual factors on coping with organizational change. Further the present study also aimed at finding out the mediational effect of coping with organizational change between individual factors with organizational commitment and job satisfaction.