Chapter II

Review of Literature
CHAPTER II

REVIEW OF LITERATURE

The world is changing very fast. The big will not beat small anymore. It will be the fast beating the slow.

Rupert Murdoch

ORGANIZATION’S RENDEZ-VOUZ WITH CHANGE

Change is an inevitable phenomenon that is engulfing our lives day in day out. Nevertheless, we have to learn to live with it and manage it with much élan and elegance. Only then can we save ourselves from being fossilized in this dynamic corporate world. It is not the “survival of the fittest” any more, it is the “survival of the wisest”, and the one who changes and adapts to the changing environment will survive at the end of the day. Thus there is an ardent need for one and all to conquer change to save themselves from being becoming corporate ‘dinosaurs'. The world around is changing so fast and rapidly that our knowledge is getting obsolete even before we realize it.

Chauncey, Bell feels that change is some thing or some phenomenon that has been transformed; that one thing has taken the place of another, or followed another; or that some new variety or variation of thing or phenomenon has emerged. What appears to be changing depends upon who is looking and where you stand to look. He further explains that the recent past has witnessed revolutionary changes in the way we communicate, we have come from typewriters to word processors to networked word processors, and then to desktop publishing and to laser printing, and have landed ourselves into an altogether new world of printing and communication.

Roberts, Richard A. (1992) observes that change is the engine that drives success in all spheres of life, be it your career or your organization. To develop, grow and make advancements, change is inevitable, which may encompass either technological advancements, generating new concepts and ideas or
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simply a refocusing of efforts by reviewing or redesigning your goals and of course your efforts too.

Since the day management became a discipline, the study of change assumed an important role. Various authors have voiced their opinion and viewpoints about organizational change from plethora of perspectives encompassing a whole gamut of research and studies from psychology, sociology and business. Flipping through the pages of history, the first school and oldest approach to organizational design and change can be traced back towards the fag end of the nineteenth century, which was a period of Frederick Taylor, Henri Fayol and Max Weber. Taylor, who fathered "Scientific Management", believed that "it is possible and desirable to establish, through methodological study and the application of scientific principles, the one best way of carrying out any job." (as cited from Burnes 1996).

From this perspective, we derive that an organization is like a production system where it is possible to optimize the system's efficiency and effectiveness. Thus organizational change is about optimizing planning and optimizing through observation, experimentation, calculation and analysis. In the 1930s and 1940s the second school challenged the classical view of organizations to provide a new perspective. In relation to change, this perspective is characterized by (Burnes 1996; Borum 1995) the belief that organizations are co-operative, social systems rather than mechanical ones, where people seek to meet their emotional needs. Therefore, from this, we gather that an organization is a (large) group of people with an organizational culture and visible communication and interaction processes between them.

The third school of thought has been called the political-emergent perspective (Burnes 1996; Borum 1995). It is characterized by the belief that organizations and change are shaped by the interests and commitments of individuals.

Taking cue from his predecessor, Handy C. (2005) too believes that organizations are communities of people, and therefore behave just like other communities. They compete amongst themselves for power and resources; there are bound to be differences of opinion and of values, conflicts of priorities.
and of goals”, all this because of individual differences. As for the normative
model, Kotter John P. (1996) showed how it was possible to combine tools and
techniques from the three different perspectives above. He recommended eight
stages in leading a change process: (1) Establish a sense of urgency, (2) Build
support, (3) Develop a change vision, (4) Communicate the change vision, (5)
Empower and enable action, (6) Generate short-term wins, (7) Consolidate and
re-vitalize change, and finally (8) Anchor new approach in culture. Stage 1, 3
and 4 is close to the view of an organization as a production system, whereas
stages 2, 6 and 8 clearly show the organization as a social system. And then
stage 2 and 5 are taking power and special interests into account.

As far as the theoretical model of change is concerned, Dunphy D. (1996)
studied organizational change in the mosaic of corporate settings and found that
any theory of change should incorporate at least five components:

1. A basic image of the nature of the organization
2. An analytical framework to understand the organizational change process
3. An ideal model of an effectively functioning organization that specifies the
direction of change.
4. An intervention theory that specifies when, where, and how to intervene to
move the organization closer to the ultimate.
5. A definition of the role of change agents

Dwelling on the issues of organizational change, Hammer Michael and James
Champy (1993) feel that the American corporations should do away or abandon
traditional managerial and performance practices and adorn newer practices,
keeping in mind the need of the hour. The authors strongly perceive that
corporations must begin a radical reinvention of how they do business in the
present settings. Business reengineering is about starting all over again, and not
about fixing existing structures. The authors believed that new business
processes should be implemented to cull out the desired results that add value
to the organization.
2.1 Understanding Change

One of the most momentous and confronting moments in front of the management of any organization today is, understanding the need of this change in their organization, and then successfully leading the organization through this change process. In this context, first it becomes imperative to understand what actually organizational change is!

Bhushan, Y.P. (1994) observes that Change is normally a multidimensional phenomenon and as such it is a complex process. As Mallik S. (1994) further pronounces that its range may cover physical facilities to the individual values and beliefs and its impact could be felt in all innovative exercise which might force the organization to go for frequent re-alignment in the hierarchy at the cost of discomfort to many. Being of the same opinion, Orlikowski, W.J. (1996) outlines a perspective on organizational transformation which proposes change as prevalent to the practice of organizing and hence as enacted through the situated practices of organizational actors as they improvise, innovate, and adjust their work routines over time.

Thus, we infer that change has become a conspicuous part of corporate life everywhere. Globalizing markets, instantaneous communications travel at the speed of sound, political re-alignments, changing demographics, technological transformations in both product and production, corporate alliance flattening organizations, all these and more are changing the structure of corporation. The once very rigid and invincible boundaries of business are fading away in the clouds of change (HBR, May-June, 1991).

All change brings in its train certain challenges, more so in the course of organizations which are growing dynamically. If the organization’s ingenuity and creativity cannot be stretched far enough they might end up as victims of this change with widespread misery in terms of high costs, obsolescence, business failures, increased unemployment, say the dwindling down of the organization pyramids. This implies an attempt not to stall change but to comprehend the forces of change and its consequences so that it can be properly channelised to
the organization's benefits. Thus, change is nevertheless the most significant feature of all times and climes.

2.2 INTERNATIONAL ORGANIZATIONAL CHANGE STUDIES

Cordell, A.J. (1987) explains in his study that the rate and magnitude of change are rapidly outpacing the complex of theories -- economic, social, and philosophical - on which public and private decisions are based. Thus to comprehend the developments surrounding the transition to an information society and to realize the full economic and social potential of this revolutionary technology, and risk making we can no longer afford to view the world from the perspective of an earlier, vanishing age. Therefore, researchers like Ven de Ven, A. and Poole, M.S. (1995) came out with four basic theories for explaining processes of change in organizations: life cycle, teleology, dialectics, and evolution. These four theories represent different sequences of change events that are driven by different conceptual motors and operate at different organizational levels and are delineated as:

The Evolutionary theory: It is concerned with global changes in organizational population and explains the continuing life cycle of variation, selection and retention in any organization.

The dialectical theory: It explains that the organizations subsist in pluralism of confrontation and conflict any that organizational change occurs when the opposing values or forces or events compete one another or even when there is a conflict between two viewpoints.

The life cycle theory: It suggests that change is on-going and that any organization and passes through various stages while moving from a given point towards subsequent changes. The various stages that it passes through include: 1) Start up; 2) Grow; 3) Harvest; and 4) Terminate.

The teleological theory: It seeks to explain that purpose or goal is the ultimate reason behind any changes in any organization.
Fig. 2.1: Process Theories of Organizational Development and Change

STUDIES ON MODELS OF CHANGE

An organizational model represents the organization and also helps us to understand more clearly and easily what we are observing in such organization. The various organizational change models can be studied as:

Earl, Michael J. and Sampler, Jeffrey L. (1998) in their article found out how a company named BP Exploration, transformed its IT organization during a 6-year period. The 4-stage model involves: 1. Recognizing Disequilibrium, 2. Emphasizing supply management, 3. Emphasizing demand management, and 4.
Maintaining Equilibrium. They observed that in recent years there have been calls and prescriptions for business transformation. There has also been growing pressure for radical change in how the IT function is organized and managed. In this 4-stage model, the balance of attention is allocated to supply or demand shifts over time, but in this, neither side is ever ignored the balance of attention is allocated to supply or demand shifts over time, but in this, neither side is ever ignored.

Likewise, a three step model has been devised by Mendhurst to make the change process a success that includes the following steps:

1. Clear directions: find a practical and sustainable change path that encompasses
   - identifying change needs and implications
   - strategic thinking, planning and deployment
   - market definition and competitive differentiation
   - product, service and distribution innovation
   - new venture feasibility
   - practical and value-adding governance
   - strategic performance measurement

2. Agile implementation: make change happen effectively in the real world. It consists of:
   - change programme design and planning
   - strategic and operational alignment
   - organisation structure and job design
   - management roles, systems and practices
   - business processes and information technology
   - change programme management
   - supporting in-house project management
3. Matching people to outcomes: build capability and commitment to change

Mendhurst believes that the people should be involved in the change process and steps should be taken to build capability and commitment to change, in the people by the ways of aligning staff goals and attitudes with organisational objectives as:

- organisational culture and climate
- leadership and management skills
- recruitment and selection processes
- motivation, incentives and performance management
- building teams and managing diversity
- communication and interpersonal skills
- customer service skills and motivation

STUDIES ON ORGANIZATIONAL CHANGE LEVERS

The organizational change levers refer to the various dimensions of change which are interrelated to each other.

Pettigrew and Whipp (1991) distinguished between three dimensions of strategic change:

1. **Content** (objectives, purpose and goals) – WHAT
2. **Process** (implementation) – HOW
3. **Context** (the internal and external environment) – WHERE

They emphasized the continuous interplay between these change dimensions. The implementation of change is an "iterative, cumulative and reformulation-in-use process." Successful change is a result of the interaction between the content and what of change (objectives, purpose and goals); the process or how of change (implementation); and the organizational context or where of change (the internal and external environment).
Based on substantial empirical research, they also presented five central interrelated factors belonging to successfully managing strategic change, which are:

1. **Environmental assessment**: i.e. the regular monitoring of both the internal and external environment of the organization.

2. **Human resources as Assets and Liabilities**: The employees are seen as valuable assets.

3. **Linking strategic and operational change**: The implementation of the plans.

4. **Leading change**: It includes creating of the right climate for change and make the change process happen.

5. **Overall coherence**: A formation of consistency between the goals, and the environment.

Substantiating their viewpoint on organizational change levers, Wishart, Nicole A. and Elam, Joyce J. and Robey, Daniel (1996) have further maintained that the present day learning organizations are capable of adapting to changes in the external business environment by involving continuous renewal of their structures and practices. However, the path to becoming a learning organization is often wildly experimental intensely focused around team processes, structured into nonhierarchical clusters, and operating in virtual time/ space through electronic networks.

Research on the organizational change levers is aplenty. These are discussed in the following pages:

Talking about the Technology as the Organizational Change lever, Tushman, Michael. L. and Anderson, Philip (1986) in their article demonstrated that technology evolves through periods of incremental change punctuated by technological breakthroughs that either enhance or destroy the competence of firms in an industry. These technological discontinuities significantly increase
both environmental uncertainty and goodwill. The study shows that while competence-destroying discontinuities are initiated by new firms and are associated with increased environmental confusion, competence-enhancing discontinuities are initiated by existing firms and are associated with decreased environmental confusion. These effects decrease over successive discontinuities. Those firms that initiate major technological changes grow more rapidly than other firms.

Highlighting the importance of technology, Hawkins, John and Mihaljek, Dubravko in their paper, *The banking industry in the emerging market economies: competition, consolidation and systemic stability - an overview*, explained that in advanced economies, new technology is affecting the structure and performance of the banking industry in the emerging markets mainly through its impact on the costs and the determination of optimal scale. The study explains that the branch-based transactions are much more expensive than alternative delivery channels. This cost advantage would seem to favor smaller institutions, as investments needed to attract deposits or provide banking services via the internet are in principle lower than the costs of setting up a traditional branch network.

Picking up the threads from the previous research, it may not be wrong to say that the information technology architecture of banks needs to change to facilitate the business transformation that the banking industry is experiencing.

Again, Laying stress on the importance of technology, the Broderick, Renae and Boudreau, John W. (1992), in their article emphasized that Information technology can improve human resources (HR) administrative, operational, and planning decisions. However, the competitive potential of many investments in HR information technology has not been fully exploited. A framework is proposed that can help managers see the ways in which different types of computer applications can help achieve competitive objectives. The 3 primary areas of HR competitive objectives considered are cost leadership, quality and customer satisfaction, and innovation. These objectives are matched with
different computer applications to show the way that such matches offer competitive benefits. Three specific applications are considered: 1. transaction processing, reporting, and tracking systems, 2. expert systems, and 3. decision support systems.

Luftman, Jerry and Brier, Tom (1999), in their article “Achieving and Sustaining Business – IT Alignment,” identified the major enablers and inhibitors in the achievement of business-Information Technology (IT) alignment. Alignment involves the activities that management performs to achieve cohesive goals across the IT and functional (e.g., finance, marketing, manufacturing) organizations.

In the article “Computer-Aided Architects: A Case Study of IT and strategic change” by Yetton, Philip W. & Johnston Kim D. and Craig, Jane F. (1994), a case analysis has been done which shows how business transformation took place along a different, almost reverse, path to fit, through the incremental adoption of IT. At Flower and Samios, business strategy emerged gradually and was an outcome, rather than a driver, of change. The case shows how individual mastery, organizational learning, and the management of risk are critical components of a strategic change in which IT becomes an integral part of a firm’s core business processes, a firm develops a business strategy, then chooses the structure and management processes, aligns IT, and ensures that employees are trained and their roles are well designed.

In order to find out the most important and frequently adopted channel of the Technology currently in the banks, Wan, Wendy W.N. & Luk, Chung-Leung & Chow Cheris W.C.,(2005), in their study, investigated the factors that influenced Hong Kong bank customers’ adoption of four major banking channels, i.e. branch banking, ATM, telephone banking, and internet banking. 314 bank customers were interviewed. They found that Overall, ATM was the most frequently adopted channel, followed by internet banking and branch banking, and telephone banking was the least frequently adopted channel.
Learning organization's, a concept is gaining currency in banks. Vanessa Gemmo, Federico Rajola and Alessia Santuccio in their empirical research analyzed the concept of knowledge sharing and the usage of knowledge as a strategic asset in the Italian banking industry. The findings showed an inclination towards the adoption of Knowledge Management systems supported by networks to favor knowledge and information sharing. This demonstrates how a change towards a more flexible way of organizing work is present in the banking industry. It was also observed that the banking industry had still not implemented a perfect change by considering both organizational and technological changes needed to succeed. Although the banks had understood the importance of valuating member's knowledge and making it explicit, but in many cases top management did not communicate the strategic importance of a knowledge sharing project. It was also found that a more integrated infrastructure was required to win and to manage knowledge effectively and efficiently.

Scrutinizing Strategy as an organizational lever, Steiner, George, states that strategy entered the management literature as a way of referring to what one did to counter a competitor's actual or predicted moves. He also points out that there is very little agreement as to the meaning of strategy in the business world. Some of the definitions in use to which Steiner pointed include the following: Strategy is that which top management does that is of great importance to the organization, and it refers to basic directional decisions, that is, to purposes and missions. He further analyses that Strategy consists of the important actions necessary to realize these directions. In their study of the way how strategy is developed, Campbell, Andrew and Marcus, Alexander (1997) first note that directionless strategies result when strategists fail to distinguish between purpose (what an organization exists to do) and constraints (what an organization must do in order to survive). Secondly, they assert that it is unclear which should come first: objectives or strategies to achieve the objectives? Finally, according to Campbell and Alexander, the basic ingredient of a good strategy - insight into how to create value - rarely results from planning sessions.
The answer to developing good strategy is to understand the benefit of having a well-articulated, stable purpose and the importance of discovering and exploiting insights about how to create more value as an organization.

To further cull out the impact of change on the strategy, Wikstrom, Carl-Erik selected an IT company which was a result of merger of 4 major IT companies. In the study done in 2000-2001, the authors explain that in the case organization, the management had made a decision to change the company’s business strategy from product/service-oriented to a customer-oriented one. Their findings show that change of strategy had major effects on CRM processes. The management had taken several actions to manage the change. They had reorganized the sales organization to become more customer-focused. Particular customer segments had been allocated to each salesperson, too and the company had identified the key business processes related to sales and customer relationship management. Thirdly, they concluded that the management reacted to emergent change events by several planned actions: growth through mergers, new product development, new incentive programs, and the decision to implement a CRM system.

Another study on the changed strategy was done by McWilliam, Carol. L. and Griffin Catherine Ward (2006). In order to explore the shared experience of organizational change from centralized allocation and control of services and resources to an empowering partnership approach to service delivery, a study was done in one Canadian home care program. An interpretive phenomenological design was applied and the data was collected from in-depth interviews with a purposeful sample (n=28) of providers, clients and informal caregivers. The researchers found that the overall experience of change was comprised of two dynamic change patterns: extrinsically introduced organizational development, facilitated by contextual factors; and intrinsically developed transformational change, impeded by the same contextual factors. The patterns together comprised participants' enactment of an answer to the existential question, “To have or to be?” and therefore illuminate the importance of choosing change strategies appropriate for the intended change.
Tantoush, Tarek & Clegg, Stewart and Wilson, Fiona (2001), in their paper, discuss the issue of computer-aided design/computer-aided manufacturing (CADCAM) integration from an organizational point of view. They used a case study approach to analyze data gathered from two UK manufacturing companies over a five-year period with the aim to compare and contrast the experiences of the two companies with a view to explaining how organizational processes contribute or otherwise to the adoption of CADCAM integration as a business strategy. They concluded that the crucial technological change competencies are more in the political nature rather than in the technological or economic nature.

Matassa, Neirotti, Paolucci in their paper analyze the joint effects of IT investments and organizational changes on productivity in the Italian insurance sector. She observed that the increase in productivity is happening not only to IT investments, but also to the implementation of important changes in work processes, in organizational models, and in insured risk selection and evaluation skills. On the other hand, the descriptive statistics on the sub sample of the first 12 Italian insurance companies, even though they confirm the growth of productivity along the past few years, seemed to suggest that although the general attitude of the industry was not necessarily to invest in new IT tools, but each company tried to have improvements in the technical efficiency. The study concludes, with the observation that productivity increases are in direct proportion to the possibility for companies to implement new forms of bureaucratic organization and administrative activities based on the coding and reuse of the technical skills, though the relevant costs and time required for the changes must be taken into account.

When it comes to studying Structure as an organizational change lever, ample number of studies have been done on the issue. One such study was done by Olson, Philip D., & Terpstra, David E. (1992). They have focused their study on successful, small, rapidly growing firms and on people who manage (entrepreneurs/CEOs) or help manage (interventionists/consultants) these firms. They investigate the structural (complexity, formalization and centralization)
changes that occur in firms as they move from the start-up stage to the growth stage of development. One reason these structural changes were examined was that rapid growth often strains organizations' existing structures and, in turn, threatens their very existence. Further, little empirical information exists about structural changes in small, growing firms. Using a sample of 500 firms, they were to support their hypothesis that organizations in their growth stage will exhibit greater complexity, greater formalization, and less centralization than in their start-up stage.

Again, emphasizing the importance of Structure as an Organizational Change Lever, Gulledge, Thomas. R., Hill, David, H. and Sibley, Edgar. H. (1995), in their Department of Defense study, tried to identify private sector success factors applicable to public sector reengineering efforts. The authors believed that organizational structure and management practices in the public sector organizations have been affected by technology, but the size of many public sector organizations and diffuse management control make implementation difficult. It was found in the study that the elimination of employees as a consequence of functional process improvement can be seen to diminish a manager's status, i.e., those who increase efficiency the most are the ones who are likely to lose personnel slots. Therefore, the target of every manager should be to eliminate non-value-added activities, but if personnel reduction is threatening, how can people be motivated to downsize efficiently? Recommendations made for addressing implementation problems included the felt need for top management commitment and close involvement. The authors further suggested that several key processes should be selected for change; only when success is demonstrated, then the additional processes should be selected for innovation

Still another study was done by Schneider, B. & Snyder, R. A. (1975). While studying the effect of Organizational Structure and the job satisfaction on the organization climate, they did a research on 522 employees of 50 life insurance agencies that included managers, secretaries, insurance agents to study the effects of organizational structure. They have found that individuals in the same
job categories, i.e., those experiencing the same organizational structure, agree in their perceptions of the climate of the organization. A correlation was also found between job category and job satisfaction, although it was not as strong as the relationship between structure and climate. The findings from this study suggested that organizational structure was somewhat more likely to affect perceptions of organizational climate than individual feelings of job satisfaction.

When it comes to adding a human touch to the organization in change initiatives, Baird, Lloyd and Meshoulam, Ilan (1988) came out with a model to manage most ingenious of all the resources, the human resources. He suggested that 2 strategies must be managed with regard to the human resources function: 1. An external fit in which the unit's structure, systems, and management practices must fit the organization's state of development, and 2. An internal fit, in which these elements must complement each other. A model is further proposed that incorporates both internal and external fit. The Human Resource Strategic Matrix incorporates the stages of organizational development: 1. Initiation, 2. Functional growth, 3. Controlled growth, 4. Functional integration, and 5. Strategic integration. The author also shed some light on the model's implications for managing the human resources in the organization.

In order to study the impact of the merger on the people as a resource, In their study, Catherine, Deborah and Nerina, Victor (2006), tested the utility of a stress and coping model of employee adjustment to a merger. Two hundred and twenty employees were selected for the study and two time periods were taken for the study. Time 1: This was 3 months after merger implementation; and then Time 2: 2 years later the authors, on the basis of Structural Equation Modeling analysis 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.
In a paper, *Building a change-ready organization at Bell*, Clark, Atlantic., Clark, Nancy., Charles E., Cavanaugh, Nancy C. & Brown, Carol V. and Sambamuthry, V. (1996) explained that in anticipation of the industry paradigm shift brought about by landmark 1996 federal legislation deregulating the telecommunications industry, Bell Atlantic had initiated changes to meet the challenge of moving employees from an entitlement mindset to an entrepreneurial workforce primed for change with the objectives of: 1) delighting the customers by delivering high quality products and services fully responsive to customers' needs; 2) establishing a leadership information technology talent base to meet the systems requirements of a dynamic business environment while absorbing and leveraging a constant influx of new technologies; and 3) achieving a low-cost performance in delivering new solutions to customers via software reuse practices. To meet these objectives and launch a cultural change, a Centre of Excellence Approach was adopted. In order to create a change-ready organization design, it was decided to create bite-size development projects, delivered on-time with high quality, and to make sure the staff continuously learns.

Cheng Philip, Millar Carla C.J.M., Chong Ju Choi (2006) undertook a study with the threefold purpose: to contribute to the increasing global debate in organization theory about corporate ethics; to focus on the importance of measurement costs and its influence on organizational change in stakeholder systems; and to provide a framework for overcoming the inherent ambiguity and increased measurement costs associated with stakeholder business systems. They found that the stakeholder business system requires involvement & participation by various groups of people behind and responsible for the change process, including financial markets, banks, employees, government.

Explaining further about the main role being played by the human resource during the change process, Brown, Andrew D. & Humphreys, Michael and Gurney Paul M. (2005) presented a paper, which aimed at contributing to the understanding of organizational identity through an analysis of shared identity narratives at the UK-based specialist tour operator Laskarina Holidays. They
argued that change in organizations is, at least in part, constituted by alterations in people’s understandings, encoded in narratives, and shared in conversations.

Again, the article, "Challenging roles at the State Bank of India" analyzes that the existing and desirable role behavior formed the basis of the training program. When the State Bank of India was developing ambitious expansion plans, the organization recognized that new managerial roles would be the key element in its success as the existing hierarchical management structure of the bank, although a strength in some respects, was a barrier to change and the bank needed to find a way of moving experienced staff from their traditional managerial practices and relationships.

Still, another study was done on "Managing People" as an Organizational Change Lever by Waldersee, Robert & Griffiths, Andrew (2004), wherein, they felt that the implementation of organizational change had long been problematic. Over the time two approaches have developed. The participative approach assumes that employee support is a pre-requisite of change. The unilateral approach argues that behavior must be changed first and attitude will follow. The results of a study of 408 change episodes indicate that unilateral implementation approaches are more effective than participative. While employee support was related to change success, it was the function of change type not participative implementation. Behavioral-social change types generate more support than technical-structural changes.

STUDIES ON RESISTANCE TO ORGANIZATIONAL CHANGE

A lot of conflicting propositions also occur about the likelihood of change in the organizations and resistance to change. For instance, some prominent organization theorists contended that large organizations have a strong tendency to resist change Hannan, Michael T., and Freeman, John. (1984); Pfeffer, Jeffrey, and Salancik, Gerald R. (1978); while some other maintain that larger organizations change just as readily and frequently as smaller organizations Aldrich, Howard E., and Ellen R. Auster. (1986); Kimberly, John R., Robert H. Miles (1980).
Barnett, William P., and Carroll, Glenn R. (1995) reported that empirical studies have not resolved this dispute. In the 1940’s, social psychologist Kurt Lewin first introduced the idea of managing and removing “resistance” to proposed changes occurring within organizations. His early work focused on the aspects of individual behavior that must be addressed in order to bring about effective organizational change.

The first known published reference to research on resistance to change in organizations was a 1948 study conducted by Coch, Lester and John, R.P. titled, “Overcoming Resistance to Change.” Their research, which generated a large body of work on the importance of employee involvement in decision making, was conducted at the Harwood Manufacturing Company, a pajama factory located in Virginia. This study focused on the main questions (1) Why do people resist change so strongly? and (2) What can be done to overcome this resistance? Dent, E & Goldberg, S. (1999).

In tune with this, Zander offered six primary reasons for resistance to change to surface. These are (1).If the nature of the change is not made clear to the people who are going to be influenced by the change. (2).If the change is open to a wide variety of interpretations. (3).If those influenced feel strong forces deterring them from changing. (4).If the people influenced by the change have pressure put on them to make it instead of having a say in the nature or the direction of the change. (5).If the change is made on personal grounds. (6).If the change ignores the already established institutions in the group (cited in Dent & Goldberg, 1999, p.33).

Folger, R. & Skarlicki, D. (1999) warn about the side effects of resistance to change amongst the employees and claimed that "organizational change can generate skepticism and resistance in employees, making it sometimes difficult or impossible to implement organizational improvements".

However, the literature on the resistance of the employees to the change process includes many speculations about the relationship between individual cognition, individual emotion and resistance to change.
Piderit, S.K. (2000, Oct) believes that the definition of the term resistance must incorporate a broad scope. She stated that "a review of past empirical research reveals three different emphases in conceptualizations of resistance: as a cognitive state, as an emotional state, and as a behavior" (p. 784). From the cognitive point of view, three basic types of explanation of resistance can be identified. The first refers to as per Bovey, W. H. & Hede, A. (2001), resistance as a natural and normal process generated by distorted beliefs or by individuals' tendency to assess situations using extreme categories. The second measures resistance as the intention to resist, and analyzes resistance as the set made up of perception of the impact of change, of irrational ideas and of affect and the third attributes according to George, J. M. & Jones, G.R. (2001) as a negative emotional reaction activated by the inconsistencies and discrepancies between the cognitive schemes of individuals and those present in the proposals for change.

O’Conoor, C.A. (1993) observed that the resistance for the change was due to the following reasons:

- Lack of conviction of the seriousness of the need of change;
- Different descriptions of the need of change;
- Lack of confidence of the attainability of the objective;
- No conformity about the goals for change.

Another researchers, Kegan, R. & Lahey, L. (2001) describe a psychological dynamic called a "competing commitment" as the real reason for employee resistance to organizational change. They believe that the change is not challenged, but rather is it resisted, or not implemented at all because the employee faces additional issue or concerns related to the change. When an employee's hidden competing commitment is uncovered, "behavior that seems irrational and ineffective suddenly becomes stunningly sensible and masterful - but unfortunately, on behalf of a goal that conflicts with what you and even the employee are trying to achieve".
Strebel, P. (1996), professor and Director of the Change Program for international managers at the International Institute for Management Development (IMD), perceived resistance as a violation of "personal compacts" management has with their employees. Personal compacts are the essence of the relationship between employees and organizations defined by reciprocal obligations and mutual commitments that are both stated and implied. Any change initiatives proposed by the organization would alter their current terms. Personal compacts are comprised of formal, psychological, and social dimensions. He pointed out that when these personal compacts are disrupted, it upsets the balance, and increases the likelihood of resistance. Contradicting this, Bridges, W. (1991) believes that it isn't the actual change that individuals resist, but rather the transition that must be made to accommodate the change. Transition is the psychological process people go through to come to terms with the new situation. Transition is internal. Unless transition is accommodated, resistance shall not leave. On the other hand, Schweiger, D.M. & DeNisi, A.S. (1991) in their field experiment observed that if the change is imposed on the employees in an autocratic manner, and they are given no explanation or opportunity to comment, then they are most likely to react negatively. When managers make an effort to explain the nature of change, the reasons for implementing it, then workers are more likely to respond positively and accept the change.

Valley, K. L. & Thompson, T. A. (1998), in an empirical study of a longitudinal nature, explored people's attitudes to alterations in the organizational structure and routine on a daily basis throughout the period of change. Their results indicated that resistance becomes stronger when attitudes in relation to change are negative, or when people's job definition and security are under threat.

Mabin, V.J., Forgeson, S., & Gren, L. (2001) observed that the resistance to change was caused due to the following factors in an organization:

1. Individual Factors: These comprise of personality factors and attitudes based on his previous experience of change. (A pleasing experience causes no or less resistance and vice versa).
2. Group Factors: These take account of the social norms, group cohesiveness, and participation of the individuals in the decision making process.

3. Organizational Factors: These consist of threat from the unknown, workload outcomes, and the threat to the status quo.

Howcroft, Douglas (2006), with the purpose of identifying and explaining the barriers preventing the organizations from improving its spreadsheet-based financial planning process, did an action research case study on a UK manufacturing and R&D subsidiary of a European transnational company. Using qualitative semi-structured interviews to ask accountants their opinions on budgeting and whether the present spreadsheet-based budgeting system could be improved, the author found that the Changes to the existing financial planning process were not implemented because they threatened to alter the existing distribution of power within the finance organization.

Sufficient research has also been done in order to remove the resistance among the employees. Laying stress on the human force, Agocs, Carol. (1997) maintains that resistance to organizational change can best be met by helping those individuals in favor of change, the change advocates, to analyze the institutionalized resistance in order to respond effectively and strategically. Again, Kotter and Schlesinger emphasized that employee-friendly steps, if taken, can definitely reduce the resistance amongst the employees, if not completely remove it. They suggest a model, designed to prevent or minimize employee resistance to change which can be useful to any size organization as it covers many possible issues, some an organization may never even face. The approaches react to the four main resistance factors which are: self-interest, misunderstanding, low tolerance for change, and employee's disagreement with reasoning. The suggestions given by him in order to reduce the resistance to change include:

1. Education and Communication: to help employees see the logic in the change effort
2. Participation and Involvement: to enable the employees to buy into change rather than resist it
3. Facilitation and Support: to help employees deal with fear and anxiety during a transition period

4. Negotiation and Agreement: by offering incentives to employees to not resist change

5. Manipulation and Co-option: which involves the patronizing gesture in bringing a person into a change management group for the sake of appearances rather than their substantive contribution

6. Explicit and Implicit Coercion: i.e using force on the employees into accepting change by making clear that resisting to change can lead to losing jobs, firing, transferring or not promoting employees.

Judson, Arnold S. (1991) has identified various procedures for employers to reduce resistance to change, including threats and compulsion: criticism; persuasion; inducements and rewards; compromises and bargaining; guarantees against personal loss of psychological support; employee participation; ceremonies and other efforts to build loyalty; recognition of the appropriateness and legitimacy of past practices; and gradual and flexible implementation of change.

Studies on Factors in Organizational Change

In a paper written by Linstead, Stephen & Brewis, Joanna and Linstead, Alison (2005), a critical view of the existing contributions to gender and change management has been done and it has also been highlighted how organizational change can be read more readily from a gendered perspective. The authors argue that gender has received little attention regarding the change management side of managerial practice. The paper then questions how men and women both cope with and drive change and whether the identified differences are more than superficial. They conclude that traditional and dominant conceptions of masculine and feminine values that rely on static conceptions of gender to argue that more attention to be paid to the dynamic and the genderful approaches.
Two questionnaire studies were done as regards the organizational change vis-à-vis the different levels of change management by Martin, Angela J., Jones, Elizabeth S., and Callan, Victor J. (2006). The data was analyzed using Multivariate Analysis of Variance (MANOVA). Study one examined differences among 669 public sector employees as a function of status (organizational hierarchal level). Study two examined differences among 732 hospital employees as a function of role (occupational group) and status (managerial responsibility). In the first study, the authors revealed that upper level staff reported more positive attitudes during change, across a range of indicators. The results of study two showed that non-clinical staff reported more negative attitudes during change than other occupational groups. In addition, managers appraised change as more stressful than non-managers, but felt more in control of the situation.

Then, Vakola, Maria and Nikolaou, Ioannis., (2005) feel that Occupational stress and organizational change are two major issues in organizational life. In her study, she explores the linkage between employees’ attitudes towards organizational change and two of the most significant constructs in organizational behavior; occupational stress and organizational commitment. A total of 292 participants to complete ASSET, a new “Organizational Screening Tool”, which, among other things, measured workplace stress and organizational commitment and a measure assessing attitudes towards organizational change. The results showed negative correlations between occupational stressors and attitudes to change, indicating that highly stressed individuals demonstrate decreased commitment and increased reluctance to accept organizational change interventions. The most significant impact on attitudes to change came from bad work relationships emphasizing the importance of that occupational stressor on employees’ attitudes towards change.

Seeger, Matthew W. & Ulmer, Robert R. & Novak, Julie M. & Sellnow, Timothy (2005) examined the post 9/11 communication of the bond-trading firm, Cantor Fitzgerald and its CEO Howard Lutnick. Their study provides support for viewing crisis as change-inducing events with the potential to fundamentally alter
the form, structure and direction of an organization. Renewal discourse helped the company survive an attack where over 600 employees were killed and the company offices completely destroyed. While a crisis inevitably create severe harm, it also has the potential to serve as a renewing force for the organization.

From the data drawn from his experience of acting as academic supervisor on a two-year TCS program in Paper Prods, the author demonstrates the way in which managerial concerns with the “bottom line” gradually subverts broader conceptions of company “competitiveness” which include improving the skills, knowledge and commitment of shop floor employees. Oswald, Jones (2003) found that he constantly had to reconcile the managing director’s views that workers were disposable factors of production with his own implicitly “humanist” perspective.

STUDIES ON SUCCESSFUL CHANGE PROCESS

For a successful change process in public organizations, a concerted effort is required on the part of managers. A number of scholars have done research on the implementation of planned change. This rivulet of research comprises various models and frameworks—most of them mainly largely based on Lewin, Kurt. (1947) and Schein, Edgar H. (1987) steps or phases of change—that describe the process of implementing change within organizations and point to factors contributing to success (e.g., Bingham and Wise 1996; Greiner 1967; Meyers and Dillon 1999; Thompson and Fulla 2001).

Cripe, Edward J. (1996) in his article calls for the communication of organizational change to employees with the help of graphic metaphors so that the employees can form mental pictures of what is happening. Visual mental models allow organizational members to form a common vision for the organization and find a common ground for planning and dialog.

However, based on his years in management roles at Intel, sound ideas on managing change are presented by Grove, Andrew S (1996) in his article: “Only the paranoid survive: how to exploit the crisis points that challenge every
company and career" lays more importance on the time factor, and further elucidates, that close attention should be paid to the time in organizational life when its fundamentals are about to change: a change that can mean great opportunity or a change that can signal the end. He calls these change periods "strategic inflection points", and notes that they call for full-scale change. Grove warns that unattended strategic inflection points can be deadly and that they can affect careers, as well as organizations. He goes on to demonstrate that in both cases, the greatest danger is in standing still: there needs to be commitment to a course accompanied by watchful concern to maintain a constant pace designed not to waste momentum and/or valuable resources.

Kenneth, Michael, Kristina and Rikard (1996) on the other hand, believed that widespread internal changes in organizations are causing chaos on traditional careers. Many people are made to face major difficulties in their attempts to adapt to the uncertainties of career life. Increasingly, organizations are seen as freed from the responsibility of managing careers in the efforts to remain flexible and ready to shift with environmental changes. However, both individuals and organizations have the needs for stability and for change. The authors suggest the organizations to adopt a pluralistic approach to career management that includes different definitions of career success, so that the diverse needs of their employees can be looked after and also, the organization can reward and maintain diverse competencies in their workforces.

In contrast to this, Pritchett, Price. (1996) discussed the high-velocity change taking place today and suggests that employees become "knowledge workers" and embrace new knowledge by taking personal responsibility for continued learning, including the mastery of new technological skills, and the adoption of new tools. He concludes that successful employees will fill the following new work roles: they must become "world class adapters" in order to make it easier for their organizations to change; they must speed up everything they do by increasing their sense of immediacy, learning to let go of things and abandoning the nonessential; they must become innovators and think toward the "new and improved", always looking toward making their own products or services
obsolete, and inventing the next generation upgrades; they must concentrate on building their own knowledge base, each employee must become a learner; and, finally, they must strive to keep their organization flexible and ready to shift with the world’s changing conditions.

Laying stress on the Leadership, Mcnamara & Carlton, P (1997) in their article assert that in order to be successful, organizations must establish a flexible but clear strategic direction with a team-based organizational concept and supporting processes and systems in place. They must also show a relentless commitment to the intangibles of leadership style, human resource planning, and company values. According to the author, the bottom line is that organizational excellence demands a new leadership style. As a result of that leadership, the most successful organizations create a special culture with a unique blend of values, beliefs, tools, and language.

Nadler, David A. (1997) on the other hand, perceives that the effort of the whole organization is involved in the change process. In his research, “Champions of change: how CEOs and their companies are mastering the skills of radical change” indicates in order to make the change successful, the CEO must lead the change; the entire organization must be involved; and the organizational culture must be taken into account before any major change and presents a five-step plan for managing the process.

Birrell, Andrew (1997) suggests certain necessary elements for a successful cultural change which are: 1) organizations change only when people change, 2) the desire for change must exceed the drag of resistance; 3) it must be led at the most senior levels of management; 4) it must be understood and supported at all levels of the organization and 5) it requires perseverance, a clear set of goals, and a long-term perspective.

Again, explaining the various elements of the change process, The American Productivity & Quality Centre along with ICF Kaiser and 10 sponsoring organizations, conducted the Organizational Change: Managing the Human Side using APQUC’s four phase methodology i.e. plan, collect, analyze, and report.
and adapt, in 1997 to examine how these organizations handled the various change issues. The study concluded the five concepts and termed them as the elements of a successful organization change process as: 1) Committed and active participation of leadership, 2) Culture Change, 3) Energetic involvement of an empowered and Educated work force, 4) Effective communication and Measurement, 5) Aligning Human Resource Systems with the Goals and Objectives of Change.

Smith, Steve (1999) mentions four pre requisites for successful change and improvement which can be quoted as: Pressure for change, a clear shared vision, Capacity for change, and actionable first steps.

Again, following the same path, Grover, Varun and Kettinger, William J. (1997) in their article observed that a successful change requires "considerations of virtualization of physical processes, careful redesign of organizational control to manage the changed contest, creation of learning-friendly environments, a balance between aspirations and the conduct of change, and recognition that change is complex, interdependent, and should not be promoted by a group with parochial interests. Therefore, explain the inclusion of the following in any change process to be successful: 1) Transformation of physical processes to virtual processes; 2) The reinvention of organizational control describing the four states of evolution of controls systems ranging from automated control to humanistic control. 3) the efficacy of empowerment and teams showing the teamwork in organizations with high capacities for learning and a high level of cultural readiness 4) the balance or fit of change in order to outperform organizations changed in an unbalanced way; and 5) the facilitators of and inhibitors to major change initiatives.

Briefing us about the principles of change, Wheatley, Margaret J. & Kellner, Myron (1998) explain that organizations are highly complex as they are filled with structures, behavioral norms, communication pathways, standards and accountabilities and lays stress on the involvement and participation of the people in any organization in the change process. They spell out four principles that provide clear indicators of how, within our organizations, we can work with
life's natural tendency to learn and change. These are: 1) Participation is not a choice. Any organization has no choice but to invite people into the process of rethinking, redesigning, restructuring the organization. If they're involved, they will create a future that already has them in it. People only support what they create. An employee always prefers his freedom to participate and can never be bossed into accepting someone else's plans. 2) Life always reacts to directives, it never obeys them i.e. it accepts only partners, not bosses. 3) We do not see "reality." We each create our own interpretation of what's real. We see the world through who we are. 4) To create better health in a living system, connect it to more of itself.

Why OC sometimes turns out to be a Fiasco

Regarding the failure of the organizational changes brought about in their respective organizations, Slyke, Van & Erik, J. (1996) write that Failure is more likely due to the execution of organizational change initiatives rather than a lack of strategic vision. He further maintains that Change efforts can only succeed if old cultural norms that hinder change are eliminated and organizational members are empowered to create and accept change.

On a broader context, Robbins, Harvey and Finley, Michael (1998) in their article, explain the various reasons that give rise to a Change fail which are enumerated: a) It is the wrong idea, b) It is the right idea but the wrong time, c) Doing it for the wrong reason, d) It lacks authenticity, e) The reality contradicts the change, f) Lost perspective, h) Having the wrong leader, i) People are not prepared or convinced, j) People get carried away, k) Bad Luck, l) Helplessness due to external environment.

STUDIES ON HOW TO MANAGE ORGANIZATIONAL CHANGE

A paper by Koster, Esther, Bouman, Wim and Huizing, Ard (1996) raises an important research question: Are organizations that manage radical change in a balanced way more successful than those that do not? Managing change processes in a balanced way is perceived to be essential for success,
particularly when aiming for substantial performance improvements in the marketplace. The profitability of re engineering initiatives is assumed to be dependent on the degree to which the distinguished design and implementation dimensions of the change process fit together harmoniously. Unfortunately, most organizations failed to meet these conditions. Only a minority of the examined organizations actually changed in a balanced way, resulting in a higher success rate.

Worrall, Les & Cooper, Cary (2004) view that Redundancy, de-layering, downsizing and various other forms of organizational change, are often accompanied by the managerial fad of the moment. In their paper, based on the results of a four-year University of Manchester Institute of Science and Technology (UMIST)-Chartered Management Institute (CMI) research program (the Quality of Working Life Project) that was designed to explore the changing nature of managerial work in the UK and also to assess the impact of different forms of organizational change on managers' perceptions of the organizations they work within, analyzed that some forms of change (notably redundancy and de-layering) have had particularly damaging effects on managers' experiences in the workplace and ultimately on their behaviors within and beyond their organizations "as a place to work".

2.3 ORGANIZATIONAL CHANGE STUDIES IN INDIA

According to Pathak, R. D. (1983) Studies of organizational change are increasing in India of late. Thanks to the global band wagon India is riding on.

Das, T.K. (1971) in his article on reorganization of State Bank of India discussed the context in which the decision to reorganize the bank was taken, the salient features of the new organizational structure and the objectives that were sought to be achieved by changing over to the new organization design. Krishnamoorthy, V (1977) has narrated the experience of BHEL during the change in this organization. He emphasized the need of encouraging creativity and the importance of academic institution in bringing about changes in organization involving problem solving by creative methods. Bhattacharya, S.K.
(1979) in his article has made an Endeavour to arrange the thoughts on roles in and processes of effective organizational design change based on the experience derived from a number of exercises. He examined the relative roles of insiders and outsiders (consultants) and suggested a basis for their mutual relationship. He concluded that organizational design change must be introduced in a phased manner after taking into account the current capabilities of the organization, the skills and values of the people in the organization, the efficiency of the current supporting management systems.

Sastry, M. Anjali (1997) proposed additions to the Tushman and Romanellis' theory of organizational change to account for punctuated organizational transformations. The original theory claimed that organizations undergo occasional dramatic revolutions or punctuations to overcome inertia and set a new course for the organization. This is an evolutionary process with organizations alternating between two modes of behavior. During stable periods, called convergence, change is restricted to incremental alterations. Dramatic shifts are infrequent reorientations or recreations. A simulation model formalizing the conventional theory demonstrates that organizations frequently falter following reorientation. Sastry's model proposes a routine for monitoring organization-environment consistency in addition to a heuristic suspending change for a trial period following a reorientation. The author claims that while external events may set the pace of some organizational changes, under turbulent conditions successful change requires internal pacing.

Venkatraman, N. and Henderson, John C. (1998), in their article "Real strategies for virtual organizing," suggests that current models of organizational strategy and structure fail to meet the challenges of the information age. Therefore, based on a field study, they develop an architecture for virtual organizing that focuses on the importance of knowledge and intellect in creating value. The authors consider that Information technology lies at the heart of this business model for the next century. This approach incorporates 3 interdependent vectors: 1. customer interaction, 2. asset configuration, and 3. knowledge leverage. Each of the 3 vectors has 3 stages, and each vector
raises a distinct series of questions for managers. The overall challenge for companies is to harmonize the 3 vectors and to undertake external benchmarking when experimenting with different approaches to design.

**Malhotra Meenakshi**, in her research Organizational Change-A study of few selected electronics companies, says that any organization to become change responsive, has to design flexibility into its systems, if there is to be minimal disruption in change adaptation. It requires reshaping of organizational requirements and expectations both structurally and psychologically. She also states that the responsibility for the transition to change responsiveness in any organization is on the management. It must do proper diagnosis of the needs of each situation and take appropriate measures to deal with specific imbalances between people's characteristics on one hand and the organizational forces on the other.

**Sekaran, Uma (2004)** also suggests some points for the managers to adapt to make the change process successful that are 1) Managers should create a climate for the organization to become a learning system, where employees are ready for organizational changes and adaptation on a continuing basis. 2) Managers should try to facilitate knowledge sharing by flattening the structure wherever possible and by using cross functional teams. 3) Managers should encourage openness and sharing of ideas and reward risk taking behavior. 4) Managers could bring about a transformation in individual behavior by changing perceptions, attitudes, motivation et c. 5) Managers can bring about institutional changes through structural changes such as job redesign, breaking down boundaries, and flattening structures. 6) Managers should enable the employees to participate and involve them in the change process. 7) Managers should take cooperation of unions in the changes that are initiated and implemented.

**Malhotra, Yogesh (1993)**, in his article sets forth the application of open systems theory for generating propositions regarding the management of organizational change and organizational interdependence by application of IT.
He believes that the commonly preferred approaches - goal theory, population ecology, systems resource theory and transaction costs theory - are inadequate in providing a "holistic" perspective of the organizational issues. The article argues that the survival and growth of organizations in an increasingly turbulent environment would depend upon effective utilization of information technology for aligning the organizational structure with environmental preferences and for creating symbiotic inter organizational structures.

Chawla Anuradha, Kelloway, E. Kevin (2004) developed and tested a model of the change management strategies that predict openness and commitment to a large-scale organizational change. Based on a sample of 164 employees, a partially- and a fully-mediated model were compared with the former providing the best fit to the data. Communication and job security predicted openness and trust both directly and indirectly, via procedural justice. Participation predicted trust directly and indirectly but predicted openness to change only indirectly (via procedural justice). Turnover intentions were negatively predicted by openness and trust. Finally, turnover intentions predicted neglect. These results highlight the role of procedural justice perceptions in understanding organizational change.

Nilakant, V (1991) feels that Middle level managers, are a typical feature of large hierarchical organizations, and a critical resource for ensuring performance and growth. His research is based on in-depth case studies of four Indian manufacturing companies. He examines the nature of middle managerial roles in these organizations and their impact on current performance and change and also discusses factors which have led to the evolution of these middle managerial roles.

In order to computerize at least 70 percent of its business by December 2000, according to the directive issued by The Central Vigilance Commission (CVC) to the bank, Punjab National Bank worked out a strategy to tackle the daunting task in the short period of time. A SWOT analysis was thereby performed and it produced the following results: The strengths of the bank that were found out
were the readiness on the part of the bank personnel to be able to readily embrace the use of IT, an existing pool of qualified knowledge-based personnel, the highly sound financial position of the bank and no binding of too much legacy systems and equipment. The weaknesses that were upshot were Different Unix OS flavors in different branches, Different standalone financial applications on PCs at different branches, Limited expertise on the software packages currently deployed, No proper LAN in place in most branches did not have a proper LAN in place and no WAN connectivity. The bank realized that there was a lot of opportunity to create a stable IT infrastructure which would fuel future growth. But in order to honor the CVC deadline to computerize at least 70 percent of its business within December 2000, the action taken by the bank was hiring a consultant and devising a two-pronged plan of action which comprised: 1. a short term goal - To meet the CVC deadline of 70 percent computerization. 2. A long term goal - To create a dependable core banking infrastructure and build a nationwide network to connect different branches to the core infrastructure and now the bank now has around 4,000 branches. NETWORK MAGAZINE (2003)

Bennett Haydn, Durkin Mark (2000) present evidence from the exploratory research which suggests that major change may result in the (at least partial) dissolution of internalized commitment on the part of employees, coupled with a corresponding increase in compliance commitment.

Siriluck, Rotchanakitumnuai & Speece, Mark (2003) explain that Many Thai banks are currently implementing Internet banking with the objective of reducing costs and making them more competitive. Their study concludes that many corporate customers did not seem to be highly enthusiastic about Internet banking, the reason being the security of the Internet. The authors conclude that those already using Internet banking seemed to have more confidence that the system was reliable, whereas non-users were much more service conscious, and did not trust financial transactions made via Internet channels. Non-Internet banking users had more negative management attitudes toward adoption and were more likely to claim lack of resources.
2.4 STUDIES ON JOB SATISFACTION

Job Satisfaction is generally considered to be the feelings one has regarding his job. Smith (1955) explains Job Satisfaction as an employee’s judgement of how well his job on the whole is satisfying his various needs.

Robinson, S.P. (2001) explains Job Satisfaction as a reflection of the person’s satisfaction with his/her work situation. Organizational researchers typically take interest in Job Satisfaction as an important dependent variable. It can be argued that today advanced societies are not just concerned about the quantitative aspect of life but also with its quality.

There is little doubt that Job Satisfaction is a reflection of overall well being of an employee. There is also the possibility that the Job Satisfaction of the employee contributes to the long term rather than the immediate functioning of employees and the organization.

Historical trends in Job Satisfaction

The physical school emphasized the role of the physical arrangement of work, physical working conditions, and pay; its major proponents being Taylor, F. (1911) The Human Relations School, which began in the 1930s, emphasized the role of a good supervisor, cohesive work groups, and good employee – management relations. Its proponents were Elton Mayo and other industrial sociologists. This was followed by the Work Itself (Growth) school which emphasized the attainment of satisfaction through growth in skill, efficacy, and responsibility made possible by mentally challenging work. Locke, EA (1976)

In retrospect, Saiyadain, Mirza S (2002) pronounces that three major schools of thought or historical trends can be identified concerning the factors believed to be the most conducive to employee’s job satisfaction.

While systematic attempts to study the nature and causes of job satisfaction did not begin until the 1930s, the important role played by a worker’s attitude in determining his actions in the job situation was recognized long before.
Hoppock (1935) published the first intensive study of job satisfaction. His results emphasized the multiplicity of factors that could affect job satisfaction, which include fatigue, monotony, working conditions, supervision and achievement. The Human relations movement suggested that real satisfaction with the job could be only provided by allowing the individuals enough responsibility and freedom to enable them to grow mentally. (Hertzberg, et al, 1959)

In the recent years, the attitude of job satisfaction has become closely associated with broader approaches to improve job design and work organization and the quality of work life movement. Nilakant V and Rao , V (1976)

A survey, by a leading job-search Web site, (November 2003) details the extent of dissatisfaction. The survey found that nearly one in four workers are now dissatisfied with their jobs, a 20 percent increase over 2001 levels, with some six out of ten workers planning to leave their current employer for other pursuits within the next two years. A similar survey by the Society for Human Resource Professionals revealed that more than eight out of ten workers intend to look for a new job when the economy heats up.

Straw, B.M. and Ross, J. (1985) found out that job satisfaction is a comparatively stable position and does not change over time. In their survey of over 5000 men who changed jobs between 1969 and 1971, it was found that the expressions of job satisfaction were relatively stable. Although they had different type of jobs, employees who were satisfied or dissatisfied in 1969 felt equally satisfied or dissatisfied in 1971 too.

In the studies conducted mainly among blue collars by Bose, S.K.(1951),Ganguli H.C.,(1954), Sinha, D (1958) and Lahiri, D.K. and Chaudhuri, P.K. (1966), adequate earning is the first ranked factor in the job by Indian employees. Job security, adequate personal benefits, opportunity for advancement, comfortable working conditions, suitable type of work, hours of work, a good and a sympathetic supervisor and an opportunity to learn the job were the other job factors in order of priority for the employees.
in a study, Jason, Michelle, Mohamed & Singh Romiia proposed and tested an interaction between positive affectivity (PA) and job satisfaction in predicting two organizationally relevant job attitudes, frustration and intention to quit. Specifically, we predicted that job satisfaction would be strongly and negatively related to frustration and intention to quit among high-PA, but not low-PA, individuals. The predictions were tested using survey data from commercial bank employees (N = 172) in the United Arab Emirates. Hierarchical regressions supported the hypothesized interactions for both dependent variables. The results contribute to the evidence that high-PA can be associated with generally unfavorable organizational outcomes in certain situations, and they point to the stability of dispositional research in different cultures.

Murray, Richard A. (1999) did a case study in order to investigate whether professional and paraprofessional staff in large academic libraries experienced significantly different levels and sources of job satisfaction. Over 140 library employees were administered a modified version of Paul Spector's Job Satisfaction Survey, a standard instrument used to measure job satisfaction of employees in non-profit and human services organizations. He found, that although both the types of staff were basically satisfied with their jobs, there were significant differences in levels of satisfaction in several areas. Professionals were significantly more satisfied than paraprofessionals in the areas of enjoyment of the work itself, coworkers, appreciation and recognition, promotion, pay, and overall satisfaction. He suggested that the Paraprofessional staff should be encouraged to participate actively in library and campus-wide committees to increase the perception that their opinions are taken seriously and that their input is valued.

Bhatt, Rajesh J (1998) assessed the Job Satisfaction level of Bank Employees of the Bank of Baroda. He found that among the personal factors as the determinants of the Job satisfaction, the women were less with this type of job. Those who are working were doing for their pleasure or for the income aspect. As far as the Number of Dependents was concerned, more the number of dependents, more dissatisfied were the employees. In respect of the age, the
employees, irrespective of age factor were satisfied with the job in sub-staff and clerical cadre. The female employees were also highly satisfied. He further observed, that those employees who have got higher need for achievement time on the job were dissatisfied. The employees from Commerce & Arts discipline were more satisfied. As far as the Factors Inherent in the Job were concerned, the dynamism in the job and job rotation made the staff more satisfied. The skilled employees were more satisfied. As the bank had a higher occupational as well as social status within the society, therefore, all the employees were satisfied. The employees working in rural and semi urban branches seem less satisfied than employees with urban and metropolitan branches. The researcher further gives certain suggestions; The Employees should be encouraged to commit themselves to create a dedicated workforce for banking institution, a “Competitive culture” and a performance based compensation package should be introduced and while farming bank's policy besides external factors, management should consider workforce's opinion.

Thapisa, A.P.N. (1989) performed a survey of job satisfaction among support staff in British libraries, He found that these workers seemed less satisfied overall with complaints that their jobs were “boring” and “inflexible”. One of the greatest areas of discontent was in perceived “class distinction” between professionals and paraprofessionals.

FACTORS IN JOB SATISFACTION

Dutta, S. (1959), with a sample of 200 employees drawn from five industrial and commercial firms in Calcutta, noted that pay was of less importance than security, and that advancement was of more importance for older and married people.

Alas, Ruth & Vadi, Maaja (2006), in their empirical study conducted in 26 Estonian organizations with 412 respondents suggest a tool for measuring employee attitudes in the process of organizational change. The authors feel that Estonian companies have been in a continuous state of change for the past 15 years. The authors explain that under the conditions of economic transition,
employees with higher job satisfaction are more willing to participate in an organizational change process than employees with a lower level of job satisfaction. Employees who evaluated their organizational culture as being stronger were more willing to participate in implementing organizational changes and were more satisfied with their jobs and managers. The attitudes of those managers who were younger than 45 years were more strongly related to a positive organizational culture than to a strong organizational culture. The most significant finding was that in a transition economy a strong organizational culture influences attitudes to change in a positive way. This is different from countries with more stable economies, where a strong organizational culture is considered to promote stability.

Clark, Andrew E. (1995) in a paper tested the hypothesis that utility depends on income relative to a 'comparison' or reference level. The study done on 5,000 British workers showed that that the satisfaction levels of the workers were negatively related to their earnings levels. Second, it is established that, holding income constant, satisfaction was declining in the level of education. Clarke felt that it could be due to the fact that education induces higher aspirations.

Chreim, Samia (2006), in her study to analyze lower level employees' retrospective views of their experience with organizational changes introduced by management and to provide a typology of change responses based on employees' interpretations on the Canadian bank employees', concludes that changes that are compatible with employees' role identity or that which are viewed as enhancing organizational identity tend to be easily embraced; and the "resigned compliance" response was shown due to lack of participation in change decisions.

Sureschandar, G.S. & Rajendran, Chandrasekharan & Anantharaman, R.N. and Kamalanabhan, T.J. (2002) feel that there is less literature with respect to service industry management, especially in the banking industry of developing economies. They critically examine the banking industry in India in their study and also investigate the discrepancies among the various groups of
banks in India with respect to the total quality service (TQS) dimensions (from the perspective of the management). Their findings indicate that the three groups of banks in India seem to vary significantly.

Garg, Pooja and Rastogi, Renu (2006), in their paper, try to identify the key issues of job design research and practice to motivate employees' performance. Using the conceptual model of Hackman and Oldham's job characteristics to motivate employee's performance, they observed that a dynamic managerial learning framework is required in order to enhance employees' performance to meet global challenges.

Thilmany, Jean (2004) perceives that the money does not make the employees satisfied with their jobs. In fact, salary plays only the small part to make the employee contended.

Koretz, Gene (2000) a survey noticed that that although Unemployment is at a 30-year low and the real incomes have risen, but the share of workers satisfied with their jobs has dropped significantly over the past five years--from 59% to 51%. He observes that although the decline occurred in all age groups, it was most evident among the people between the age group 45 to 54, whose job satisfaction reading of 46.5% is now the lowest across the age spectrum. The happiest workers are those 65 years and older, with satisfaction levels around 55%. From the earnings perspective, the lowest job satisfaction was noticed in top income group, those with household incomes above $50,000.

Employees also showed discontentment with the aspects of their jobs as wages, sick leave, health plans, job training, promotion policies, and bonus plans. The only areas recording slight gains were the job security (50.2%) and pension plans (40.8%).

A research "British women's job satisfaction takes a tumble" based on around 25,000 British women employees showed that the average level of overall satisfaction with their jobs has been falling for 15 years. It explained that the female workers, who used to have significantly higher levels of job
satisfaction than men, now had almost the same level, whereas, Men's job satisfaction has remained constant over the period. The results therefore, appear to be a sign of growing pressures on women in the workplace, as they compete increasingly with men for the better jobs, especially in the professions and management. Satisfaction among women who work part-time has fallen more dramatically than among the full-timers.

A report "U.S. Job Satisfaction Keeps Falling" based on a representative sample of 5,000 U.S. households, conducted for The Conference Board by TNS in 2005 observed that the Americans were growing increasingly unhappy with their jobs. This decline in job satisfaction was widespread among workers of all ages and across all income brackets. Half of all Americans today said they were satisfied with their jobs which was nearly 60 percent in 1995. Around 50 percent who said they were content and only 14 percent said they were "very satisfied." The study also showed that that approximately one-quarter of the American workforce was simply "showing up to collect a paycheck."

Ramchandani, Shubhra (2005) explains that "The Enron/Worldcom era of corporate scandals and the outsourcing of jobs have increased the level of employee discontent." In the survey, she found that:

- Company promotion policies and bonus plans tended to be the lowest on the satisfaction scale.
- Only 30% of workers claimed to be satisfied with Educational and job training programs.
- Workers also rated their wages poorly, with only 33.5% of householders expressing satisfaction with their pay.
- 40% of workers feel disconnected from their employers.
- Two out of every three workers do not identify with or feel motivated to drive their employer's business goals and objectives.
- 25% of employees are just "showing up to collect a paycheck."

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An NBRI (National Business Research Institute) Employee Satisfaction Survey, "Employee Satisfaction Survey Case Study", was deployed in 48 States and three languages, resulting in an 85% response rate, and a 99% Confidence Level. Management could be certain that the results of the employee survey truly represented the thinking of the employee population. The study conducted by NBRI on one of the largest Food Services providers in the United States observed that low job satisfaction was found in the employees and the root cause was that the employees were disconnected from the organization's short and long term goals, vision, and mission. After NBRI recommending the various suggestions to communicate management's strategic plans to the lowest level employee, and reinforcing their practice in each employee's daily activities, another survey was done that showed significant increases on the total Company Employee Satisfaction. The Employee Satisfaction Scores changed from being a Weakness (below the 50th percentile of the NBRI Normative Database) to being a Strength (above the 75th percentile of the NBRI Normative Database) in only six months. Also, the employee absenteeism was reduced by more than 60%.

A study done by Gothoskar Sujata, focused primarily on the effects of technological change, on how women employees perceived these changes and what they felt themselves about retraining and improving their working conditions. The study was done in eleven Indian and foreign-controlled banks, and in the nationalized Life Insurance Corporation. The findings of the study were that the last decade has seen a systematic rise in the employment of women in the banking and finance sector which has had both positive and negative implications for the workforce affected the industry. There have been increased workloads and brought increasing pressure for flexibility. It has changed the content of work, and brought reduced job security and a shift towards more non-bargainable employees. There have been changes in grading and pay, and in the way by which the workforce and information are controlled. The autonomy of employees and their conditions of work, and health and safety, have been affected also.
The demands put forward by the Punjab National Bank Employees Union included:

- Inter-region transfers of women on a priority basis.
- Arranging pre-promotion training programme for women who want to take tests relating to promotions.
- Displacement on promotion to be avoided.
- Protection for pregnant women who work on computers.
- Women should be given temporary transfers on request during pregnancy, etc.

2.5 STUDIES ON CUSTOMER SATISFACTION

Churchill, G. A. and Suprenant, C. (1982) feel that the concept of customer satisfaction occupies a central position in marketing thought and practice. In a competitive business environment the customers, internal or external, expect exceptional levels of customer service and it is this that will create lasting client relationships. Customer satisfaction is about understanding the customer, managing information and people and mastering efficient and productive communication.

Facing a highly expectant customers, a more-competitive marketplace and unnecessary costs related to redundant applications and facilities have led the banks to make various organizational changes in the banks.

Laying importance on the Customer satisfaction in an organization, Brooks, Randy (2000) observes that some of the most important people that form the profit equation-not are the ones on either side of the conference table, but the ones on either side of the sales counter. In his study, he made the following observations:

*The strongest predictors of customer satisfaction are those conditions that support internal service i.e. the organization's tools, information systems, policies
and procedures, collaboration among departments, management support, goal alignment, training, communication, and appropriate recognition and reward for delivering value.

* Those companies with the highest employee and customer retention rates ("loyalty") also earn the strongest profits.

Tse, D.K. and Wilton, P.C. (1988) investigated customer satisfaction formation. They did a laboratory experiment and thereby suggested that perceived performance showed a direct significant influence on satisfaction in addition to those influences from expected performance and subjective disconfirmation. However, expectation and subjective disconfirmation seemed to be the best conceptualization in capturing customer satisfaction formation.

Bearden, W.O. and Teel, J.E. (1983) also studied the same subject. They did a two-phase study on 75 members of a consumer panel with regard to their experiences with automobile repairs and services in order to examine the antecedents and consequences of consumer satisfaction. They observed that expectations and disconfirmation are appropriate determinants of satisfaction, and suggested that complaint activity should be included in satisfaction/dissatisfaction research.

Paul McAdam (2005) in a study reveals that only 31% of retail banking consumers was highly receptive to the idea of developing a relationship with their bank. The study further found that perceptions of inefficient, unfriendly and poorly trained branch staff are key drivers of dissatisfaction and even mistrust, in some cases, among the 69% of consumers that are either indifferent or highly skeptical of the notion of developing a relationship with a bank. This research builds on the findings of BAI’s 2004 research survey of 520 senior retail banking executives, which revealed that 90% of U.S. retail banking institutions emphasize relationship banking or service quality as their primary value proposition.
Aurora, Sangeeta & Maihotra, Meenakshi state that in order to survive in the present day world of intense competition, the banking sector transcended the normal banking activities and has diversified idea of customer satisfaction is gaining momentum by leaps and bounds.

The findings of the paper published in 1993 suggest that in order to justify the experiences and outcomes associated with CASE (Computer – aided-software – engineering) tools, the social context of systems development, the intentions and actions of key players, and the implementation process followed by the organization need to be focused. Similarly, the paper suggests that practitioners will be better able to manage their organizations' experiences with CASE tools if they understand that such implementations involve a process of organizational change over time and not merely the installation of a new technology, thus, underlining the importance organizational change continuity (MIS Quarterly).

Farrance, Chris (1993) explain that Demand-side changes, stimulated by higher levels of consumer awareness and sophistication, have combined with supply-side changes, mainly induced by legislation, to create a difficult climate for banks. Lacking clear strategic direction and being undifferentiated, they find themselves competitively disadvantaged, particularly in cost terms, against the building societies. There is a difference in the way in which consumers perceive banks and what they expect from banks – i.e. a convenient money transmission service - and the aspirations of many banks to be one-stop providers of financial services. They suggest a better understanding of marketing, organizational flexibility and a clearer customer focus which poses major organizational, customer and employee challenges.

Toombs, Ken and Bailey, George (1995) explain how routine marketing techniques for measuring customers' perceptions of value in developing new products and services are now being used by some companies as a means of organizational redesign. They feel that conjoint analysis and focus groups are two such marketing techniques that offer avenues to changes in organizational focus which can meet evolving customer requirements, while also allowing a
more objective assessment of value in terms of “customer satisfaction”. Innovative companies are using these measurements of customer perceptions of value to reduce costs successfully while improving customer service and increasing profitability.

**Goodhue et al, (2002)** note that “in general, changing the technology without transforming the organization often leads to less-than-optimal results. Companies may need to develop a customer-centric culture, hire personnel with the vision and skills needed to implement and practice CRM and change business processes, organizational structures and reward systems”.

**Aldlaigan, Abdullah & Buttle, Francis (2005)** in their research paper seeks to investigate the different types of attachment that customers develop towards retail banks. Their research programme analyses data from seven focus groups, 39 one-on-one interviews and 1,058 individual consumer questionnaires. They identify three forms of positive attachment, based on three different foundations: the credibility of the organization, compatibility between the values of the organization and those of the consumer, and interpersonal or relational considerations.

**Khong, Kok. Wei. & Richardson, Stanley (2003)** in their paper tested several hypotheses concerning the relationships between the critical success factors (CSFs) of the BPR implementation process and the performance of the enterprise, i.e. customer service performance and business performance, with the assistance of Institute Bank-bank Malaysia (IBBM) and analyzed 103 questionnaires. The findings of the study state the acceptance of BPR by the implementation of re-engineering initiatives in many Malaysian banking institutions and the Central Bank of Malaysia, Bank Negara.

**Adsit, Dennis J. & London, Manuel & Crom, Steven and Jones, Dana (1996)** studied the relationships between employee attitudes, customer satisfaction, productivity, and administrative effectiveness at two points in time in a computer-hardware customer-service organization - 281 employees from 92 departments participating at time 1, and 215 employees from 87 departments participating in
a follow-up survey ten months later. They concluded that Performance and customer satisfaction were associated with employees and that the employee’s attitudes accounted for significant and practically meaningful proportions of variance in performance.

In their research, Ndubisi, Nelson Oly & Wah, Chan Kok (2005) seek to empirically evaluate the influence of the relationship marketing on the perceived quality of bank-customer relationship, and on customer satisfaction in the Malaysian banking sector. After conducting a field survey of bank customers in Malaysia to determine which factors discriminate between customers on the basis of perceived bank-customer relationship quality and customer satisfaction, the authors found that five key dimensions, namely: competence, communication, conflict handling, trust, and relationship quality, discriminate between customers in terms of perceived relationship quality and customer satisfaction.

Arasli, Huseyin & Smadi Salime Mehtap & Katircioglu, Salih Turan (2005) Interviewed 260 retail bank customers to measure the service quality perceptions of Greek Cypriot bank customers and to examine the relationship between service quality, customer satisfaction and positive word of mouth, in the light of changing bank market dynamics due to EU accession with the help of the five-factor fit of SERVQUAL. They found that the expectations of bank customers were not met where the largest gap was obtained in the responsiveness-empathy dimension. Reliability items had the highest effect on customer satisfaction, which in turn had a statistically significant impact on the positive word of mouth.

Sureshchandar G.S., Rajendran Chandrasekharan, Anantharaman R.N. (2003) focus their study on investigating the critical factors of customer perceived service quality in banks of India. They compare the three groups of banks in India with respect to the service quality factors from the perspective of the customers. They find a great amount of variation with respect to the level of service quality offered by the three groups of banks and identify the factors that
discriminate the three groups of banks. They conclude that the customers seem to keep the "technological factors" of services such as core service and systematization of the service delivery as the yardstick in differentiating good and bad service, while the "human factors" seem to play a lesser role in discriminating the three groups of banks.

Levesque Terrence, Gordon H.G. McDougall (1996) points out that customer satisfaction and retention are critical for retail banks, and investigates the major determinants of customer satisfaction and future intentions in the retail bank sector and identify them as service quality dimensions (e.g. getting it right the first time), service features (e.g. competitive interest rates), service problems, service recovery and products used.

Tucker Mary L., Nie Winter and Gulbro Robert D. (1995) in their research, studied the consumer perceptions of banking service quality for five small banks located in Southeastern Louisiana in order to compare service quality across these banks and to determine the most important factors contributing to service quality. They randomly selected 500 customers from each bank with a purpose: (1) to compare service quality and operation performance indicators across these five banks, and (2) to determine the most important performance indicators contributing to service quality. They found that the variable 'courtesy and friendliness', was the most important factor attributing to service quality in these small banks. However, the researchers felt that the other factors such as accuracy of service, waiting time in the lobby, and interest in serving the customer also contributed to improving the overall service quality of banks. They also observed that not all small banks had the same level of service quality. The researchers further suggest that in order to compete for and to maintain a profitable percentage of customers, small banks should have a level of service quality equal or even better than that of larger banks.

In another study, Schneider, B (1980) surveyed customers and employees of 23 bank branches and found that employees' perceptions of climate was positively correlated with customers' perceptions of climate. Further, when
employees identified a strong service orientation from their management, the customers of these branches reported receiving superior service. In explaining these findings, Schneider concludes that management practices which emphasize a strong service orientation create a positive overall climate for employees as well as customers.

Investigating the management of change in a UK manufacturing company, Staniforth David (1996) carried a study and collected data at two time points, approximately two years apart. He observes a common internal desire for organizational change, especially from a product/market perspective and finds that emphasis on quality initiatives has been enhanced by greater customer focus, improved product appearance and better measurement of quality. He also observes changes in human resource management that include training, the introduction of a novel performance appraisal scheme for managers and technical specialists.

The article by George, Babu P., Hegde Purva G. (2004) maintains that employees' attitudes, their satisfaction and motivation, are the basis for customer satisfaction. They argue the importance of network relationship defined among the stakeholders and that the sustainable advantage is possible only through people. They conclude that everything, including the formation of appropriate policies and training for the frontline personnel to cope up with the "irate" customers, should be properly informed from this perspective.

2.6 SUMMING UP

We derive the fact from the Review of Literature that over the last two decades, a tremendous change has been noticed in all the organizations and with advances in data management technologies, researchers have begun to understand and quantify relationships between financial success, customer satisfaction and loyalty, and employee variables such as satisfaction, loyalty, commitment, and enthusiasm. This change has become so common that it is in danger of fast becoming an axiom. Therefore, successful change efforts on the part of all the stakeholders have become crucial for the survival of organizations.
in the current competitive environment. These organizational changes were due
to the ever expanding marketplace, huge competition in the market, globalization
of markets, the upsurge in the technological developments etc. Some
researchers however perceived that it was due to the foreign and domestic
deregulation. Having gone through the various studies, we came across the
various Organizational Change Levers that include the Technology, Structure,
Leadership, Strategy, Cost, Managing People, Quality and finally Marketing.
Various causes were also noticed for the resistance to the change process.
These were conscious and unconscious. It was felt by most of the researchers
that employee resistance to change is a complex issue facing management in
the complex and ever-evolving organization of today. The process of change is
ubiquitous, and employee resistance has been identified as a critically important
contributor to the failure of many well-intend and well-conceived efforts to
intimate change within the organization. In order to facilitate a smooth transition
from the old to the new, organizations must be competent in effective change
management. The process of change management consists of getting of those
involved and affected to accept the introduced changes as well as manage any
resistance to them. However, the Indian researchers stressed that in order to
make the change process a success; the steps need to be taken by the
management who should ensure the participation and cooperation of the
employees as well.

As far as job satisfaction was concerned, it was felt that the researchers felt that
as there was a phase of the changes in the global economy, the employees on a
higher level of hierarchy seemed to be more satisfied than the lower level
people, also, the people with a higher level of satisfaction were more willing to
participate in the change process, as compared to those with a low level of
satisfaction. Another study showed that the British women were having a fall in
the job satisfaction for the last 15 years, Another study done on the Indian
women in the banks showed that although there was an increase in the number
of women in the banking and the insurance sector, however, these women
employees seemed to be a dissatisfied lot and demanded from the management
certain more benefits in relation to their counterparts.
Customer satisfaction has also received a lot of emphasis in the literature review. It was felt that the researchers advocated for the better marketing techniques, organizational flexibility and a much more focus on the customer group in order to make this customer of a highly competitive environment more satisfied. Another researcher found that performance of the employees and customer satisfaction was linked together, and the employees needed to change their attitude to make the customer satisfied. However, an Indian researcher felt that human factor seemed to play a lesser role than the technological factors as a yardstick in distinguishing between a good and a bad service. Yet another author suggested a strong service orientation a strong step in making a sound and effective climate for the employees as well as the customers.