CHAPTER - III

LITERATURE REVIEW

3.1 Change Management Overview

In general, management change strategies that (1) enhance perceptions of ease of use and perceived usefulness; (2) provide sufficient information to enable comparison of the before and after processes; (3) introduce new interfaces; and (4) create an empowering vision of the desired end will illuminate the need for change (Davis, et al., 1989, Kotter 1995). Additionally, adjustment of cognitive assessment of the change can be important and should include both clear descriptions of advantages offered by the changes and the expected system improvements to be gained. Cognitive adjustment prepares current system users by communicating the need for change prior to change process initiation (Armendakis, 1993). These strategies must include elements of communication, training, and management support.

Self-Determination Theory (SDT) is a relevant organizational behavior research stream that addresses change in the workplace, and its acceptance (Deci 1972, Deci and Ryan 1985, Deci and Ryan 1989). SDT research explores the consequences of work climates that enhance intrinsic motivation as well as the integration of extrinsic motivation, which contributes to important work outcomes (Gagne and Deci, 2005). Baard, et al. (2004) focused on workplace factors that support autonomy and facilitate internalization of extrinsic motivation. A workplace exhibiting such factors with timely, effective communications and training can serve to internalize the external motivation for IS implementation (Baard et al., 2004; Kirner, 2006). Understanding and applying this theory of motivation helps the manager access and use strategies to assist in the implementation of change (Armendakis, 1993).
In other related organizational change research, Holt et al. (2003, p. 262) posits that "the extent to which the organization achieves the benefits at the end of the process is affected by the influence strategies used by organizational leaders to encourage adoption and implementation of the change." Such change management helps achieve the success of an implementation indicated by user satisfaction with the system, the information generated by the system, and its ease of use (Venkatesh and Davis 1996). Examples of research include: (1) the organizational change area on how to prevent, reduce, or overcome resistance to change (Armendakis, et al. 1993, 1999; Folger and Skarlicki, 1999; Henry, 1994; Holt, Self, Thal, Lo, 2003; Judson, 1991; Self, 2007; Self and Schraeder, 2009); and (2) motivation's place in preparing the organization for change through the application and measurement of strategies to increase readiness for change (REA) (Armendakis, 1993; Self, 2007; Self and Schraeder, 2009). These studies, for the most part, explored how to create readiness or reduce resistance as the dependent variable,

To quantify and measure the effects of change management, it is necessary to have an indicator of success. IS benefits are sometimes intangible and the literature contains many examples of user satisfaction serving as a surrogate measure for success (Ives, Olson, Baroudi, 1984; Baroudi and Orlikowski, 1988; Straub 1989; DeLone and McLean 2003). Even in a mandatory system, the preparation of an organization for change by enhancing readiness and reducing resistance is important to achieve not only usage but also user satisfaction.

Orlikowski and Barley(2001) introduces the importance of the organizational behavior theories in the information technology research. Further, Orlikowski and Hofman (1997) stresses that change is a dynamic process which cannot be pre-
determined without adaptation during implementation. Yet, no model was given on how to study such a dynamic change process.

3.2 Users’ perception of management of change effectiveness

From the organizational behavior area, a person acts to achieve, or to avoid, a desired or an undesired consequence (Baard et al., 2004). In order to manage change effectively information must be shared with employees, and their concerns must be addressed as they surface (Parker, 2009). Management of change must motivate employees by creating a work climate that satisfies basic psychological needs to enhance intrinsic motivation. A mandatory system can apply introjection, which entails taking in a value or regulatory process but not accepting it as one’s own (Deci, et al., 1994). Research findings imply that when people are coerced into doing something without a clear rationale, they generally become less interested in the task and will perform it only as long as some form of surveillance is in place. On the other hand, when people are provided with reasons and choices for doing the task, they generally become more interested in it and are more likely to continue engaging it, even after external demands are removed (Koestner, Ryan, Bernieri, and Holt, 1984). Thus, management of change strategies can encourage integration, through which the regulation is assimilated internally resulting in self-determination and intrinsic motivation (Deci et al., 1994; Armenakis et al., 1993; Gagne et al., 2000; Gagne and Deci, 2005; Self, 2007; Self and Schraeder, 2009).

According to Orlikowski and Hofman, changes associated with technology implementations are an ongoing process and cannot all be anticipated ahead of time (1997): Management of change strategies such as training that increase self-efficacy and commitment to the change increase in importance as the amount of simultaneous and overlapping change in the surroundings increase (Herold, Fedor, and Caldwell, 2007).
Examples of related management of change strategies include communication to share information with employees while addressing their concerns, and provision of additional training when needed. Armenakis, et al., (1999) proposes that the communication introducing the change should address key questions to set the stage for the change and to create readiness in the change participants: Providing a meaningful rationale for doing the task, acknowledging that people might not find the activity interesting, and emphasizing choice rather than control are change management strategies that promote internalization and satisfaction (Deci et al., 1994; Gagne and Deci, 1995; Gagne and Deci, 2005). Top management support, business involvement, communication, and training are important factors in managing these changes successfully in enterprise systems (Shang and Su, 2004). Many researchers have been interested in how to promote user satisfaction for successful implementations (Chau, 1996; Davis, 1989; Igbaria et al., 1997). The level of satisfaction depends on the motivation and ability to change (Judson, 1991; Kotter, 1995; Lewin, 1951). Empathy and concern, two elements of communication, are also conducive to satisfaction of organizational change and apply to management of change during IS implementations (Kirkpatrick, 1985; Gagne et al., 2000; Gagne and Deci, 2005). Published research has studied these elements and their influence on the users' resistance/readiness for change to the system (Herold, et al., 2007). Users who did not perceive a positive outcome would not express acceptance through satisfaction with the new system.

3.3 Readiness for change and resistance to change

Readiness for change is related to one's attitude toward change, and the respondent's belief of how others view their attitude toward change (Kwahk and Kim, 2007). This study adopts the definition of readiness collectively reflects the extent to which an individual or individuals are cognitively and emotionally inclined to accept,
embrace, and adopt a particular plan to purposefully alter the status quo (Holt et al., 2007, p. 235). Readiness is reflected in organizational members' beliefs, attitudes, and intentions regarding the need and the organization's capacity to implement changes. Strategies of the management of change, change agent credibility, and interpersonal and social dynamics are important in the readiness creation process (Armenakis, et al., 1993). Readiness creation is often discussed in conjunction with prescriptions for resistance reduction (Piderit, 2000). Other research has been conducted on overcoming resistance to change by creating readiness with management strategies matched to the sources of resistance. The most influential readiness factors are (a) discrepancy (i.e., the belief that a change was necessary), (b) efficacy (i.e., the belief that the change could be implemented), (c) organizational valence (i.e., the belief that the change would be organizationally beneficial), (d) management support (i.e., the belief that the organizational leaders were committed to the change), and (e) personal valence (i.e., the belief that the change would be personally beneficial) (Holt, et al., 2003; Self, 2007; Self and Schraeder, 2009). The underlying assumption is that organizations will move through the stages of readiness, adoption, and institutionalization of change when organizational members recognize that the change is appropriate, beneficial, and supported (Holt, et al., 2003).

Similarly, Armenakis et al. (1999) proposed that the communication introducing the change should address five key questions to set the stage for the change and to create readiness in the change participants:

(1) Is the change necessary?
(2) Is the change being introduced the right change to make?
(3) Are key organizational members supportive of the change?
(4) Do I or we (the organizational members) have the ability to successfully implement the change?

(5) that is in it for me if we change (Self and Schraeder, 2009, p.172)?

Holt et al. (2007, p. 235) observed that readiness to change scales usually assess four dimensions: (1) the content of the change; (2) the context (environment); (3) the process of the change; and (4) the factors related to individuals involved in the changes. Strategies for the communication elements in each dimension were reported to create readiness and prevent resistance (Self and Schraeder, 2009). Piderit (2000) proposed that the first step in implementation of change is to create readiness for the change rather than merely overcoming resistance. Management of change is also applied to overcome resistance that develops during the implementation as issues arise resulting from the change. Self and Schraeder (2009) emphasize the continuing management of readiness efforts across all stages of implementation, not just at the beginning, to increase the likelihood of success. Therefore, management of change is a dynamic process during the implementation (Orlikowski and Hofman, 1997). In this study the users’ perception of management of change effectiveness reflects how well they believe that the change process has been managed to achieve these goals: whether the elements of communication, management support, technical availability, and training needed to create readiness and/or reduce resistance have led to the subsequent end user computing satisfaction.

Dent and Goldberg (1999) credit Kurt Lewin with the concept of resistance to change. Lewin believed that the status quo was equilibrium between barriers to change and forces driving change. He believed it was more effective to weaken the barriers than to strengthen the drivers to bring about the change. Kwahk and Kim (2008) cited resistance to change as a contributing factor to high failure rates of new IS
implementations. Resistance has been defined as any conduct that tries to keep the status quo, i.e. resistance is equivalent to inertia, as the persistence to avoid change (Maurer, 1996). Oreg defines it as an individual’s tendency to resist or avoid making changes, to devalue change generally, and to find change aversive across diverse contexts and types of change (Oreg, 2003). This study adopts the definition of resistance as a generalized opposition to change engendered by the expected adverse consequences of change (Bhattacherjee and Hikmet, 2007). Whether a user is satisfied or dissatisfied with the system leads to either positive or negative behaviors. Hultman (1995) argue that resistance consists of two dimensions: active and passive. Active resistance includes behaviors such as being critical, selective use of facts, sabotaging, and starting rumors. Passive resistance is displayed by behaviors such as public support, but failure to implement the change, procrastinating, and withholding information or support. Jiang, Muhanna, and Klein (2000) summarized the seven reasons employees resist new technology:

i. Change in job content.
ii. Loss of status.
iii. Interpersonal relationship altered.
iv. Loss of power.
v. Change in decision-making approach.
vi. Uncertainty/unfamiliarity/misinformation.
vii. Job insecurity.

Factors identified as causing resistance include innate resistance to change, lack of involvement in the change process, lack of management support, poor system quality, and the lack of designer-user interaction (Hirscheim and Newman, 1988).
Harvey's 16 resistance factors for which he develops antidotes indicate the importance of management support and communication, two elements of the management of change actions that increase readiness and prevent/reduce resistance (Harvey, 1995). Henry (1995) states that, "Researchers have found that resistance can be categorized according to whether or not end users attribute their problems to specific features of the technology, are computer anxious, or have a negative attitude toward computers" (p 20). Specific features of the technology causing the end user's resistance can be identified and assessed for validity. If the complaint is valid, one approach is to modify the technology to increase acceptance/satisfaction. If the complaint is based in anxiety, and the end user cannot be reassigned, special training to reduce anxiety can be conducted. Involvement in the design or early training can provide the end user with a sense of participation and a feeling of vested interest.

The Jiang, et al. study (2000) further explores strategies used to reduce resistance to change through five key activities such as: involving employees, addressing concerns about IS development using open communication, sharing change information, showing sympathy, and retraining. Negative behaviors are related to resistance which can occur at any stage in implementation (Cooper and Zmud, 1990). Change managers, therefore, need to delve into the reasons for user resistance and to learn effective strategies for managing different states of changes. A complete model of user resistance would lead to better implementation strategies and desired implementation outcomes (Joshi, 1991).

Folger and Skarlicki (1999) claim that resistance to the change may result from some legitimate issues that need to be addressed. Benn and Baker (2009) examine a model that incorporates input from resisting employees and channels conflict into innovative outcomes to modify change. This co-evolutionary perspective fosters
institutional change to integrate with the human systems of the organization. The change is then more easily integrated into the processes, procedures, and norms of the organization. This perspective indicates that change management is a dynamic process requiring recognition, evaluation, and reconciliation of issues throughout the change implementation not only to lower resistance but also to benefit the organization. This research strengthens the concept of the feedback loop in the model for this study to allow issues to be surfaced and examined for corrective action as the co-evolutionary perspective mentioned by Benn and Baker (2009).

Research on the acceptance and resistance to change follows two predominant approaches. One approach views acceptance and resistance to change as opposite ends of a continuum. By this view, low scores on acceptance instrument items indicate resistance (Venkatesh and Davis, 2000). Self and Schraeder incorporate readiness measurements in the resistance scale continuum (2009). However, the other approach considers acceptance separately from resistance to change. Self avers that resistance and readiness are not polar opposites on a linear continuum. Instead, resistance and readiness represent complex states, impacted by numerous individual and organizational factors (2007, p. 11). Lauer and Rajagopalan (2003) treat resistance and acceptance as separate constructs but analyzed cases post hoc by identified behaviors using a framework rather than a measurement instrument. Holt, et al. (2003) adds empirical support to previous anecdotal recommendations for implementing change, still without measuring resistance.

3.4 The Strategy Gap

Most B-schools claim a dual mission: to educate practitioners and to create knowledge through research (Bennis and O’Toole, 2005). B-schools embraced the scientific model of physicists and economists rather than the professional model of
doctors and lawyers. Although few B-school faculty members would admit it, professors like it that way. B-school professors using the scientific approach often begin with data that they use to test a hypothesis by applying such tools as regression analysis. Instead of entering the world of business, professors set up simulations (hypothetical portfolios of R&D projects, for instance) to see how people might behave in what amounts to a laboratory experiment. Those methods are useful, necessary, and enlightening. However, because they are at arm’s length from actual practice, they often fail to reflect the way business works in real life. When applied to business - essentially a human activity in which judgments are made with messy, incomplete, and incoherent data – statistical and methodological wizardry can blind rather than illuminate (Bennis and O’Toole, 2005). There is a need to bridge the gap between student needs vis-à-vis market needs (business practice). The entire MBA curriculum must be infused with multidisciplinary, practical and ethical questions and analyses reflecting the complex challenges business leaders face (Bennis and O’Toole, 2005).

Few B-schools take an integrative approach to management education. Almost everything happens in terms of functions (marketing, finance, human resources management, operations, systems, and so on), be it teaching, curriculum design, recruitment or, for that matter, research in Indian B-schools (Kaul and Hasan, 2005). In the past, several committees appointed in India (for example, the Nanda Committee 1981, the Kurien Committee 1992, the Ishwar Dayal Committee 1995, and the Management Education Review Committee 2003) recommended efforts to promote a strong research culture in management institutions. However, rapid progress has not been achieved in this regard (Joshi, 2006). Academics need to examine research frameworks to assess their relevancy in the face of the revolutionary changes now
taking place. Academics must work to prepare students to be successful in the twenty-first century business reality.

Since B-schools are marketed as a service, the logic of considering the student as a customer needs to be revisited. The role of faculty in delivering the service cannot be neglected; the role of corporate in setting expectations from B-schools is also important. Hence, there is a need to recognize the importance of all the three major stakeholders of B-schools; namely student, faculty and corporates.

3.5 Indian Context

The Indian business environment is different from the rest of the business world’s for the following reasons – the developmental stage of the economy, rapid growth in certain sectors, diverse cultures and sub-cultures, income- and caste-based classifications of the society, ethical values, existence of powerful unorganized markets for most products, career orientation among youth, etc.

As the business environment is unique, there is a need to develop management education programs which consider the differences and develop MBA programs to suit the requirements of the Indian context. Indian B-schools rely on textbooks and case studies used in the USA and based on research done in an American context. The reason for this is the paucity of research in Indian B-schools (Gupta and Gollakota, 2005).

Most B-schools have affiliations with the state universities. The syllabus and other norms imposed by most universities tend to be restrictive and degenerative. The norms do not allow flexibility to respond to the local conditions and do not build competencies for quality teaching, service, and scholarship (Gupta and Gollakota, 2005). The evaluation techniques adopted in a majority of B-schools still employ traditional grading methods by relying on term end examinations for awarding the degree. The teaching techniques, in most B-schools, are lecture-based approaches,
though there is increasing popularity of more experiential learning exercises like unstructured business situations, case study analysis, projects, internships, team learning, computer-based instructions, etc.

### 3.6 Top Management Philosophy

Existing literature on services branding (Davies, 2000; de Chernatony and Segal-Horn, 2003) indicates that the process of building a services brand starts at the top, i.e. top management philosophy. The top management identifies external opportunities and internal capabilities to define the brand and develop the brand concept. In 2003, some mid-tier B-schools in the USA faced the problem of falling applications for their general management programs. For example, the University of Wisconsin-Madison’s School of Business experienced a 30 percent drop in full-time applications in three years. The B-school scrapped the general management MBA in 2004 and replaced it with 13 distinct degrees in everything from arts administration to applied corporate finance (Gerdes, 2005). Rutgers Business School in Newark, has offered a pharmaceutical management MBA since 2000 in partnership with seven area drug companies (Gerdes, 2005). From time to time top management has to redefine the B-schools’ visions and missions to stay competitive in changing market dynamics. Therefore, the role of the top management philosophy is crucial, as the response of the top management towards market challenges will determine the future of the B-school brand. The first category in the Balridge education criteria for performance excellence (BNQP, 2005), calls on senior leaders to take an active role in reinforcing a focus on students and stakeholders (Hammond et al., 2006).

The top management philosophy is crucial in shaping all further brand-building activities. The B-school top management must be aware of expectations and preferences of the three major stakeholders – students, faculty, and industry – before evolving the
top management philosophy. Organizational culture and organizational policies articulate the top management philosophy.

3.7 Strategic Brand Management

Berthon et al. (1999) state that a B-school’s brand fulfills the classic functions that brands do for all offerings to which they are attached. A powerful brand vision indicates the long-term, stretching intent for the brand, which must excite staff, encourage their commitment, and enable them to interpret how they can contribute to success (de Chernatony, 2001). Strategic planning for a B-school at this stage must evaluate the “market orientation” status of the B-school (Hammond et al., 2006). Kohli and Jaworski (1990) describe the processes required to engender a market orientation as a “distinct form of sustainable competitive advantage.” The brand sustainable competitive advantage is essential in building a B-school’s positioning in an increasingly competitive and cluttered market in India. The dominant value proposition should possess sustainable competitive advantage for building positive relationships to attract, satisfy, and retain major stakeholders. This process begins with assessing brand value, formulating brand objectives – both short-term and long-term.

3.8 Tactical Brand Building

Tactical brand building involves implementation of brand marketing programs, measurement, and interpretation of brand performance. Customers can be co-creators in personalization of products and services, in developing market acceptance of products and services, and shaping customer expectations (Prahlad and Ramaswamy, 2000). Student, faculty and administrative staff appear on the brand creation side and on perceived brand side as these three stakeholders perform the role of “co-creators” of the service. The role of “co-creators” is important in the tactical brand-building stage as the “points-of-marketing,” described by Gummesson (1987) is “in marketing of services –
relationships and interactions created by direct contact between the customer and the service provider."

The “points-of-marketing” are direct interactions between the student as customer and the faculty and administrative staff as service providers, interactions between industry representatives with placement co-coordinators and faculty of the B-school, etc. Ensuring positive “points-of-marketing” experiences for all the stakeholders constitutes the essence of tactical brand-building activity of the B-school. Periodic evaluation of brand performance is an essential aspect of tactical brand-building.

3.9 Understanding Change

Approaches to planned organizational change have developed and existed since the 1950s. Kreitner and Kinicki (2008) determined three, relatively contemporary types of change: Lewin’s (1947) model, systems model (Kreitner and Kinicki (2008) ), and change through organization development (Kreitner and Kinicki (2008). Supplanting the change types are what Kreitner and Kinicki (2008) referred to as -generic typology of change (p. 536).

Three types of change fall along a continuum consisting of complexity, cost, and uncertainty; another phenomenon falling along this continuum is potential for resistance to change. Because the typology shares and consists of all types of change-it incorporates both administrative and technological changes-changes are adaptive, innovative, or radically adaptive (Kreitner and Kinicki (2008)). Adaptive change is less intrusive, as it follows a recognizable course of action; innovative change introduces a new practice or procedure to the organization; finally, radically innovative change introduces a new practice, procedure, or policy to not only the organization but to the industry as well (Kreitner and Kinicki (2008). An example of change in the aviation industry is the revamped and increased security practices after 9/11 (Howard & Sawyer,
Relating these typologies to the continuum covering resistance, cost, complexity, and uncertainty, adaptive change is low, and radically innovative change sits high on the continuum related to cost factors listed above (Kreitner & Kinicki, 2008). Understanding change makes it possible to define and identify the various types of change and relate them to aviation.

Lewin’s (1947) change model consists of three steps: the first is to motivate or garner support for change and is referred to as - unfreezing, or methodically chipping away at current procedures as a precursor to implementing. Implementing is putting the change in place, establishing the procedure via applicable measures such as training, service delivery, performance-and in the case of some public organizations-micromanagement or intense oversight of the process (Milakovich & Gordon, 2004; Starling, 2011). After unfreezing and changing, the final step in Lewin’s process is - refereeing, where making the change policy includes rewriting procedures, rules and regulations, manuals, and checklists, all of which are common in aviation. Refreezing solidifies and confirms the change as law and policy, and is where all involved are held accountable for the process after implementation, a process normally accomplished via positive or negative reinforcement (Griffin, 2008; Scholtes et al., 2003). Unfreezing, changing, and refreezing are relatively simple compared to endeavors that are more sophisticated.

The premise of the systems change model is that any change, regardless of size, engenders a ripple effect on the organization. The components of the systems model are inputs, strategic plans, target elements, and outputs (Kreitner and Kinicki (2008). Inputs stem from the organization’s mission statement, vision, and internal and external forces; strategic plans are relatively self-explanatory as they lay out the organization’s goals and desired outcomes (Kreitner and Kinicki, 2008). Target elements of change are more
specific as they pinpoint which facet, entity, or process the change is to be directed towards; accordingly, targeted elements range from organizational arrangements, people, methods, and social factors. Outputs or results are specific goals of the mission or vision; they are realized either at the organizational, departmental, or individual levels (Kreitner & Kinicki, 2008). Researchers have revealed that change goals are not always met exclusively or congruently at these levels (Balogun, 2006; Seo et al., 2004).

Using eight typical oversights as the reason senior managers typically fail at change, Kotter (2008) established countermeasures to change approach:

i. Establish a sense of urgency.

ii. Create a guiding coalition.

iii. Develop a vision and strategy.

iv. Communicate the change vision.

v. Empower broad-based action.

vi. Generate short-term wins

vii. Consolidate gains to produce more change.

viii. Anchor new approaches in the culture.

All of these measures are meant to counter what Kotter (2008) identified as failures: failing to establish a sense of urgency, create a powerful coalition, establish a vision, effectively communicate, remove obstacles, systematically plan, declaring victory too soon; and failure to anchor the changes into the organization's culture (p. 74). Kotter's eight steps are an established sequential process somewhat analogous to incrementalism (Milakovich & Gordon, 2004). This process can work in an environment where change can be planned, is proactive rather than reactive, and is not time sensitive. In the aviation environment, often change is not planned, is reactionary, and is done out of necessity with little to no notice (Rodwell, 2003). Other change
techniques are in contrast to those purported by Lewin (1947) and Kotter (2008); they are not detained, regimented, and sequential; rather, they are centered on the continuous process of organizational development (OD).

OD refers to deliberate endeavors directed toward a human resource coherent, cohesive, and collaborative professional and personal existence. Occurring within the organization, it is a desired state achieved via enlisting behavioral science principles, methods and theories adapted from the fields of psychology, sociology, education and management (Kreitner & Kinicki, 2008, p. 543). Change through OD is a far more sophisticated model than those previously mentioned. Based on the principles and methods used, OD is a continuously involved process. Likening change via OD to the aviation industry and facility management is simply acknowledging there are constant influences, occurrences, and the like reframing aviation and the GA facility, specifically 9/11 and the formation of the TSA (TSA, 2010; Rankin, 2008).

Coexistent with the change methods are the mannerisms, practices, and assumptions associated with each. There are also dualities and tensions to change declared by Seo et al. (2004). Among them are action research, sensitivity training, team building, sociotechnical systems, and quality of work life, organizational transformation, large group interventions, learning organizations, and appreciative inquiry Seo et al. (2004). These categories or characteristics associated with change fall along a continuum of three generations from historical to modern perspectives.

Three generations span from traditional to contemporary approaches to change in organizations. First generation approaches include action research, sensitivity training, team building, socio-technical systems, and quality of life work (Kreitner and Kinicki (2008). There are two second-generation approaches: organizational transformation, and large-scale interventions. Third generation is more modern or contemporary and
includes learning organizations and appreciative inquiry. Essentially, Seo et al. (2004) subsumed these approaches under the overarching concept of OD, similar to the summations of Kreitner and Kinicki (2008). Conclusively, OD is an ongoing process subject to the whims of change. Change is instigated, initiated, and fed by many factors; in the aviation industry, similar to others, those sources are both internal and external.

3.10 Change Process and Sources

Beer and Nohria (2000) discussed change as it applies to business or private organizations and determined that change is an intentional venture that leaders of organizations undertake; this mindset is applicable to public (airports) organizations as well. Beer and Nohria’s (2000) approaches are referred to as Theory E and Theory O. Theory E, -economic, is driven by economic goals of the organization when it takes elaborate measures to stay economically competitive (Beer and Nohria, 2000). Hiring consultants, offering financial incentives to employees, intense planning, and programmatic advances characterize this approach (Beer and Nohria, 2000). On the other hand, Theory O takes an -organizational approach and is centered on human capacity or capability (Beer & Nohria, 2000). Rather than focusing on the bottom line, a strategy for change is developed and implemented by personnel (Beer and Nohria, 2004). These approaches are not mutually exclusive; they intercept and overlap, particularly in performing the functions ultimately to implement change. Beer and Nohria’s theories advocate the process of change as a reactive rather than proactive approach. Beer and Nohria’s (2000) idea that -academics in the field of organizational behavior recommend high employee involvement to motivate change and develop a high-commitment culture\[ (p. 1), change is a reactive rather than proactive process. The willingness to accept change is a part of culture: one that needs to be established, nurtured, and maintained. The position espoused by Beer and Nohria (2000) is that
leadership is constantly seeking ways to improve, inject, and implement better practices, procedures, and postures to achieve change. This mindset is similar to the tenets of change surrounding OD (Seo et al., 2004).

Stedman (1990) elaborated on change and associated the ability to adapt to change quickly with maturity. According to Stedman (1990), “We all experience change, whether it be physical, emotional, spiritual, mental, relational, or vocational. Immature people resist change; it makes them nervous. But the mark of maturity is to adapt to change because it is inevitable” (p. 51). This view is more focused on the individual rather than on an organization, is attitudinal rather than procedural, and views change as an ongoing phenomenon rather than an intentional undertaking. Since organizations are run by people (Kreitner & Kinicki, 2008; Milakovich & Gordon, 2004), they must be viewed, studied, and approached from both individual and organizational perspectives, as this research does by interviewing the managers of airport facilities.

Less contemporary information on the subject of change in public organizations surrounds the revamping, reinventing, and modernizing of government (Behn, 1995; Golembiewski, 1985). Within that realm, new management practices such as total quality management (TQM) and contagion were change agents of the day (Kelman, 2005).

Public organizations are pulled by the influences of private organizations as they pick up their innovations, best practices, fads, and trends (Burris et al., 2009; Stich & Eagle, 2005). The mere environment in which public organizations exist and function contributes to their being dragged -kicking and screaming long after the reasonableness of change in question has been obvious to almost all approach to change (Golembiewski, 1985, p. 1). This mindset, coupled with contemporary philosophies,
lends credence to the quagmire of influences on the aviation industry as well. However, it is in contrast to Beer and Nohria’s (2000) change processes.

3.11 Employee Commitment and Organizational Change

In the last five decades, relationships between employees and their organizations have undergone several evolutions. Focus has been shifted from individual employees to emphasis on teams and teamwork. There has been an erosion of individualistic self-concept, which prevailed in the past. In addition, intermittent organizational circumstances put a strain on employee commitment especially when employees realize their future in an organization cannot be guaranteed. On their part, Aron & Harris (2011) identify employee commitment as a psychological contract between and employee and his organization.

Commitment is a critical component in every organizational process because it is vital in the need to attract and ultimately retain essential human capital. Organizational commitment denotes a psychological disposition of an employee in that individual’s intention and/or desire to abide with the institution especially at critical moments of transformation or circumstances (Parker & Wright, 2001). Commitment to organizational objectives also means that an employee feels some sort of responsibility to the well-being of the organization as a whole. Likewise, committed employees fully engage themselves in organizational activities.

Organizational commitment is therefore not just an economic attachment to specific functions, nor does it have to be based on performance of social missions or professional callings. Rather, it is an assured localized orientation which conveys continued positive exchange with the aspirations of its surrounding environment, in this case an organization. Commitment is attained when an employee registers with his/her
organization beyond the realm of traditional motivational theories (Scholl, 2003). Scholl reasons that three observable attributes give rise to organizational commitment:

(i) Identification with the organization's goals and/or mission,
(ii) Long-term membership in the organization and intention to remain with the organization, and
(iii) Behavior beyond required performance.

These attributes may however, be considered subject to motivational explanations but their integral and overwhelming background in an organization may defy theoretical designations. There is need for further examination of these attributes in the light of present organizational trends.

3.12 Employee Reaction to Organizational Change

In an organizational setting, individual employee will react to change in peculiar ways not in sync with others irrespective of the appearance of collective reasoning and perhaps on the notion that the change will impact the entire workforce. Leaders are challenged to contend with several organizational situations and have to deal with them through effective communication with affected employees on a holistic facilitative approach aimed at soothing nerves, imparting vision, enabling understanding, wholesome acceptance and active participation in the change process. (Falcone, 2009). The point here is that innovations in organizations mean employees would experience changes in their operations.

Change in an organization entails adjustments bound to replace old practices. And, previous innovators or those whose ideas propelled the phasing dispensation may view the change as a threat to their ideas and work to prevent it. When employees see change negatively, they tend to hold back on their innovations fearing new trends will
surely push them out the door. They would rather remain at status quo at least until the picture is clearer.

Certain observable dilemma includes employees feeling resentful toward the change process as well as the change agents. At worst many become distrustful, uncomfortable, left out, and confused with a lack of focus or direction resulting in low productivity. The characteristics may manifest in

(i) Cynicism and apathy. Shepard (2005) states that employees refuse to voice their frustrations when it is apparent their suggestions and complaints have been or are prone to be ignored, and when they feel put-down and punctured. Cynicism is also viewed as a culture within an organization, which has the potentials to spread or thin depending on the strength or weakness of the container.

(ii) Pessimism and Inertia. Organizational uncertainty takes its toll on employees who are often afraid to rock the boat thereby slowing down productivity.

(iii) Perceived lack of job security. The fear of much promised and little delivered, especially when grounded on past experiences, is often difficult to assuage. To employees, the dilemma is not on rewards, organizational values and standards; rather on personality and personal appeal that fade as the change process takes form (Daglish, 2004). The changes that attend corporate mergers and downsizing could drive employees into frenzy and set off survival strategies quite out of sync with management design and intentions.

These components pull the organization in different directions resulting in either of two outcomes: stability or instability. It is worth noting that instability, however, has a positive connotation when chaos produces solutions to problems and provokes changes. It could then be seen that resistance portends veritable ends if critically managed and if collective impetus is added to the process of change management.
Positive resistance arises as a result of poor articulation of strategy, mismatch between strategy and prevalent structure; and leadership attempts to proceed with changes irrespective of circumstances on the ground (Burke, 2002).

Organizational change – by definition, context, content and impact – is an instrument of structural, sociological and economic renovation. It serves the desires of its designers by bringing about expected outcomes and these outcomes conflict with entrenched status quo. Employees who resist change may look at change as disruptive.

Change is thus considered unnecessary and as a failure of management to solve problems without causing injury to structural integrity. Supporters of old ways would rather not rock the boat (Burke, 2002). These advocates believe that organizational success is solely dependent upon their personal attributes and capabilities. Feeling indispensable puts employees in a row with management decisions. For instance, if the intended change was aimed at eliminating certain jobs or category of employees, such efforts will bring about trade disputes and labor unrests, which may lead to long-drawn tussles.

Furthermore, to some employees, change may enliven them and offer opportunities for participation and job improvement. Others may dread organizational change and view it as a sledgehammer on their stability. Negative employee reaction to organizational change may include diminished self-worth and decreased job performance. Jobs, too, may be a major source of stress and anxiety especially when career prospects and functions are adjusted in line with pressing needs.

3.13 Types of Organizational Change

To successfully implement change, leaders must first fully understand the nature of the change upon which they must embark. Scholars make a fundamental distinction in the literature between lower levels and higher levels of change (Meyer et al., 1993).
At one end of the spectrum is a type of change often referred to as first-order change. First order change is a low-level change, or minor realignment, that is incremental (Nadler & Tushman, 1989), convergent (Newman, 2000), adaptive, transitional, integrative, usually planned, smooth and well ordered (Jabri, 1997). It is the ongoing change that is routinely necessary for any organization to adapt to its environment (Cao et al., 2000). Its purpose is to make minor adjustments in behavior, operations, processes and direction. It focuses on individual system components and is intended to maintain or regain congruence among system components within the context, or frame, of the current set of organizational strategies and components (Nadler & Tushman, 1989; Roach & Bednar, 1997). It builds on the past and leads to better performance over time, e.g., better teamwork (Marshak, 1993). It involves only task accomplishment (as opposed to people or organizational structure), replacing the status quo with a new way of doing things (O'Hara et al., 1999). It requires less communication, narrow participation in change efforts and fewer changes in organizational attributes (Freeman, 1999). This type of change occurs mostly during times of relative environmental stability and is likely to take place over extended periods of time. It improves the fit and consistency between an organization and its competitive and institutional contexts (Newman, 2000).

At the other end of the spectrum, change is often referred to as third-order change. Third-order change is high level, broad and sweeping change (Nutt & Backoff, 1993) involving major shifts in the way an organization conducts business. It is revolutionary, metamorphic, discontinuous (Jabri, 1997), transformational, holistic, chaotic, radical – a reorientation or re-creation that fundamentally alters the organization at its core (Meyer, 1982; Nadler & Tushman, 1989). Its purpose is to transform an organization into something entirely new and usually occurs when mission
or leadership begins to fail the business (Want, 1993). Typically, it results from a major external shock (Davidson, 1997). This type of change involves the breaking out of a current pattern of congruence and developing a completely new configuration (Nadler & Tushman, 1989). It changes many system elements and significantly shifts the organization's strategy and power base (Roach & Bednar, 1997). It affects tasks, technology, people and organizational structure (O'Hara et al., 1999). It requires more communication, broad participation in the change process (Freeman, 1999) and greater sophistication to successfully conceive, implement and lead the change (Schneider & Goldwasser, 1998). The outcome of third-order change is not certain (Newman, 2000).

Most organizational changes lie between these two extremes (Kennedy, 2002) and achieve intermediate levels of objectives. These intermediate types of changes are often referred to as second-order change.

Jick & Peiperl (2003) propose a useful way of categorizing changes common in organizations. The first type Jick & Peiperl (2003) call "developmental change." It is defined as the improvement of a skill, method or condition that for some reason does not measure up to current expectations. It is the improvement of what already exists, a fine-tuning.

Transitional change involves many transition steps, during which the organization is neither what it once was nor what it aims to become, but, gradually, the organization eases into a new state. This type of change is introduced to have an organization evolve slowly. The management task here may involve analyzing risk and uncertainty, launching several new processes at once, and looking after the needs of the change recipients (Jick & Peiperl, 2003).

The third type of change proposed by Jick & Peiperl is the most radical form of change: transformational change. This type of change is something akin to letting go of
one trapeze in mid-air before a new one swings into view. It is typified by a radical conceptualization of the organization's mission, culture, critical success factors, form, leadership, and the like. This type of change is difficult to manage in a proactive sense because most of the variables are unknown and uncontrollable (Jick & Peiperl, 2003).

Jick & Peiperl go on to explain that the different types of change do not have crisp boundaries. Transformation may involve both developmental and transitional change. Likewise, transitional change may involve developmental change. Also, transformational change in an organization may be managed as a series of transitional changes.

Other authors have also classified different types and levels of change, sometimes using 2, 3 or 4 levels. For example, using a 2-level classification scheme, in their book, The Wisdom of Teams, Katzenbach and Smith (1999) describe change as a relative notion pertaining to degree of difficulty. They assert that whether an organization faces major change depends on the magnitude of 1) the behavioral changes required for company performance, that is, how many people have to change their behaviors, skills, or values, and 2) the degree of resistance inherent in the system.

Using a 3-level classification scheme, O'Hara, Watson and Kavan (1999) describe the differences between different types of organizational change while considering the organization as a socio-technical system in which organizations are viewed as the interaction of four highly interrelated variables: tasks, people, structure (or roles) and technology. In this context, they distinguished first-order change, the lowest order of organizational change, or alpha change, (involving only task accomplishment and its interaction with technology), from second-order change, or beta change, (occurring when the tasks and the people who perform them are affected), from third-order change,
the highest order of organizational change, or gamma change, (affecting task, technology, people and organizational structure).

Using a 4-level classification scheme, Nadler and Tushman (1989, 1995a) crossclassify organizational change within the scope of the change: incremental change, strategic change, discontinuous change and fundamental change. Incremental change focuses on system components and is intended to maintain the current congruence among system components. In contrast, strategic and discontinuous changes involve breaking out of a current pattern of congruence and helping an organization develop a completely new configuration. Fundamental change involves change in the definition of the business, shifts of power, alterations in culture and similar issues.

3.14 Successful Organizational Change Implementation

When evaluating any organizational change effort, two principal aspects should be considered: 1) the success of the change and 2) the success of the implementation. The first aspect asks, "Did we change the right thing?" It deals with whether or not the appropriate strategy was undertaken, given the circumstances. The latter aspect asks, "Did we successfully carry out the change process?" and can be considered regardless of the appropriateness of the strategy (Tippett, 2007).

There is little information available in the literature about exactly what would constitute a successful organizational change implementation, or how to judge the success of an implementation effort. Unlike in the field of project management, which has developed at least 13 measures to judge project implementation success (Pinto, 1987), no agreed upon research was found for how to judge or classify the success or failure of an organizational change implementation effort. One reference seemed to characterize the research in this area. Cao, Clarke and Lehaney (2000) proposed that organizational change is a perceptual phenomenon, characterized more by subjectivity
than objectivity. They argue that the classification and outcome of change is contingent upon the opinions of participants, understandable only in terms of individual accounts of the situation. For example, a new job description may be seen as change from the point of view of an individual in an organization, while, from the perspective of higher management this change may seem insignificant. Likewise, in the absence of objective measures that are established and tracked to judge an implementation's success, Cao, argue that the outcome of the implementation effort is understandable only in terms of individual accounts of the situation. That is, individual reports of the degree of success achieved by the organizational change implementation effort are the measures of relevance, lacking any objective agreed upon measures.