CHAPTER 2

REVIEW OF LITERATURE

2.1 Introduction

Review of literature is a body of text written by taking inputs and insights from the studies which are directly or indirectly related to the research topic. It is an account of what has already been published on the topic by various researchers. It provides knowledge about the research question from various viewpoints. It gives direction for formulating research objectives. The review of literature in this study has been divided into three segments. The first segment is a group of studies which have been done on various telecom companies both in India and foreign nations. This section collects information on the various changes that have taken place in the telecom companies. The second segment is a group of studies which throws light on organizational change, employee change readiness and the various reactions of employees towards organizational change. The third segment is a collection of studies that have been conducted to measure the Adversity Quotient of individuals and to see if it has any effect on various other facets like leadership skills, performance level, job satisfaction, commitment to change, academic performance, social interactions, self empowerment, self efficacy, demographics, etc.

2.2 Studies related to Telecom Sector

Marrewijk (1999) studied the reaction of a Dutch public telecom operator to the restructuring of the telecom market and concentrates in particular on the strategy of internationalization. It was found that the employees could no longer depend on lifetime employment and automatic promotion but have instead to be flexible and,
under the threat of possible layoffs, look for new possibilities of employment within the organization. For many of the employees these changes involved a lot of stress and fear. Work could no longer be done according to routine. New demands from the organization required a more dynamic and commercial attitude of the employees. These new demands were taxing and sometimes drawing in excess upon the resources of the employees. The change of cultural environment also created feelings of tension, insecurity and fear in the expatriates. From the coping strategies it can be concluded there were three primary major groups of employees using different strategies to cope with cross-cultural differences in the international activities of the firm. The first group of employees (almost 80%) identified themselves with their own organizational and national culture and distanced themselves from the host country cultural. The second group of employees identified themselves with the local cultural context and avoided the expatriate culture (almost 5-10%). The third group of employees identified themselves with both their own national as well as the host country culture and had networks in both cultures (almost 10 – 15 %).

Kwun & Cho (2001) studied the change processes of a Korean public telecom company. Until the 1990s the telecom industry had been highly regulated in Korea, as was the case in most countries. Deregulation happened around 1991 and by 1996 around 20 companies had government permission to enter the telecommunications industry. Technological innovation had also marked the industry. Korea Telecom made major structural changes in 1987 and 1996 and it adopted a new HRM system in 1996 which was the first major change in the company’s history. The change aimed at improving the flexibility of human resources by replacing the seniority-based bureaucratic system with one based more on competency and performance. Internal and external pressure (like, competition, substitution by the mobile services,
government pressure, and unfavorable public opinion) were the major reasons for structural changes. Highly bureaucratic culture and deep rooted inertia avoided organizational change and innovation. There were coordination and communication problems because of highly specialized functional structure. But top management strongly supported the change in the organizational structure which resulted in successful completion of this change process. The case also suggested that people resist change when they see it critically as hurting their interests. Structural changes affect their tasks and roles whereas HRM changes not only affect their tasks and roles but also their interests and well-being. In sum, the inertia forces in the HRM change process were much stronger as compared to inertia changes in the structural change process.

Singh (2005) studied the FDI pattern in India from 1991 to 2005 in the telecom sector. FDI in this sector was possible because of the National Telecom Policy of 1994 and New Telecom Policy of 1999. Problems like low tele-density, slow growth of telecom infrastructure, restricted investment, and obsolete technology were the push factors for reforms in the sector. It was in 1991 when expansion and upgradation of the country’s telecom network started. The reforms included complete freedom for manufacturing of telecom equipment, privatization of services, foreign investment and import of technology. Simultaneously, the Department of Telecommunications (DoT) was restructured to remove its monopoly status as the service provider. The 1994 policy did not prove to be sufficient due to some political reasons to make these changes, therefore, the New Telecom Policy 1999 (NTP99) was introduced. The political environment at this time was supportive which played a major role in the liberalization of the Indian telecom sector. As a result a large number of private operators were allowed to operate in the basic mobile telephony and
internet domains. The result of the reforms was increase in teledensity, mobile telephony took the forefront, large subscriber base, number of internet users has seen a steep growth, and larger bandwidth is available for IT-enabled services, and reduction in tariffs for national and international calls.

Haque, Khatibi & Karim (2006) studied the impact of re-organization on the Telekom Malaysia’s International Division’s productivity which was witnessing a downward trend in its productivity. The study was conducted to find the reasons for the same and to give solutions to improve the company’s productivity. The globalization trend of the 1990s was the reason due to which the Malaysian Government decided to liberalize their telecommunications policies. The study had identified that reasons linked to the division’s productivity were quality, external factors, leadership, resources, incentives, routine activities, teamwork, performance appraisal, HRM fair decision and work stress. The variables diagnosed to cause the decreased productivity were quality, external factors and the leadership style. It was suggested that the leaders in the international businesses and those who are involved in the decision making should practice open communication, open-mindedness, teamwork, coaching and counseling.

Levi (2006) studied the entry strategies of four foreign companies in Indian telecommunications. The four companies were First Pacific of Hong-Kong, Swisscom of Switzerland, Alcatel of France and Avaya of USA. Swisscom and First Pacific are from services segment while Avaya and Alcatel are from equipment segment. The analysis of the case of First Pacific showed that it was a case of a successful company. The reasons for its success were targeting untapped rural market where the tele-density is low, attracting its customers through various programs, good customer service through subsidized and technologically sound offers, emphasis on
research and development, opting for a joint venture as their entry strategy. The analysis of the case of Swisscom showed that it was a case of an unsuccessful company as it thought to win the Indian telecom market by its technical strengths alone, overlooking the legal, social and cultural aspects of the joint venture. Swisscom’s lack of experience in a highly competitive environment and operations abroad outweighed its financial and technical competency that it seemed to rely on in the Indian market. It also went into joint venture but dominant role in the joint venture brought negative results. Alcatel proved to be a successful company from the manufacturing segment of the Indian telecom market. The reasons were gradually increasing the ownership and control of foreign operation, reorganizing its structure and control by shifting the headquarters from Paris to Delhi, emphasis on market research and customer care. Avaya also proved to be successful by doing a joint venture with Tata Telecom. It remained flexible and was able to perform in the market inspite of the financial difficulties as well as deviations arising due to government, infrastructure, banking and pricing reasons by focusing on improving employee productivity.

Geetha & Kumari (2009) studied the usage pattern of customers in mobile telephony with a purpose to suggest measures to prevent customer churn. They found that consumers whose overall usage revenue per minute was greater than 75 paise and those with greater usage of value added services were most susceptible to churn. They also found that based on the nature of calls, churn occurs with the subscribers making more calls to other networks rather than to the same network.

Rizvi (2010) studied the roles of HR during acquisition of Hutchison by Vodafone in India. He found that in the pre-acquisition phase, an informal taskforce was created comprising of business heads and HR heads. In the post acquisition
period, HR played three roles: Employee Advocacy Role, Functional expertise role and Human Capital Development role. In Employee advocacy role, HR countered the negative feelings of uncertainty, anxiety, loss of faith, and career doubt, communication was used as an effective tool. In the Functional expertise role it was maintained that not a single employee was laid off. And in the Human Capital Development role, training workshops and OD interventions were used as methods of facilitating change. Orientation programme was conducted to change from the Hutch model to the Vodafone model. The values of Vodafone were linked with the values of Hutch through workshops in order to have a cultural fit. Hutch employees disliked the color red as it was the color used in Airtel logo, the competitor. Red was thought of as the color of the enemy. HR changed the perception and linked the colour red with restlessness about sales and passion to perform. Two training programmes were conducted. In first, learning was imparted in leadership skills, case laws, telecom space, people sensitization, and handling worry and anxiety. The group trained went back to their respective positions and helped diffuse the culture into the whole organisation. Thus, a parallel learning system was created. The second training programme was held to communicate the values of Vodafone. These values were linked with the values of Hutch. Assessment centers assessed employees and promotions were offered to the performing employees.

Shahzad, Sarmad, Abbas & Khan (2010) studied the impact of Emotional Intelligence (EI) by focusing on its four major aspects, i.e, self awareness, self management, social awareness and relationship management on employee’s performance in five telecom companies in Pakistan. Employees who are were focused towards customer’s orientation were targeted specifically which includes call center agents, business development officers and team leaders etc. It was found that self
awareness is significantly correlated with employee’s performance but as per regression analyses it is a weak predictor of employee’s performance. Most of the employees at telecom sector joined profession of call center agent or enter in the marketing field of telecom sector as they would like to be a part of a reputed company. Being at the initial stage of their career they would like to be competitive in terms of salary and perks offered by such companies irrespective of analyzing their core competencies and utilizing it for their career development. Their accurate self assessment and confidence is weak due to lack of practical experience which affects their performance and ultimately many employees switch their jobs when they gain some practical experience. Self management is significantly correlated with employee’s performance but is not a strong determinant of employee’s performance in telecom sector. Most of academic qualification in Pakistan does not emphasize on self development, self management, self control and adaptability concepts and focuses more towards traditional studies instead of harmonizing in-depth abilities with study pattern. A fresh graduate is preoccupied with multiple thoughts to settle down anywhere in professional life irrespective of analyzing his/her own competences and achievement of career path. Such youngsters when employed in telecom sector require considerable time to settle down and to be adaptable to work efficiently and give better performance. Therefore poor assessment and management of in-built abilities and just being passionate to earn money results in poor performance in such reputed sector of Pakistan. Correlation matrix indicated significant relationship between social awareness and employee’s performance and it a strong determinant of employee’s performance. Telecom sector created its worth in such short time and captured huge market share in service industry. Keeping such status in mind youngster in particular and other people in general tried to be a part of such leading
sector. Being a part of collectivist society employees strongly believe in networking, organizational awareness and tried their best to inherit the norms of telecom sector which results in better performance. By using empathetic ability employees please their bosses which results in sufficient feedback and ultimately results in better performance outcomes. Relationship management is significantly correlated with employee’s performance and it is a strong determinant of employee’s performance with regression analysis. Relationships appear to have high priority in their culture as they form a bridge for exchange of information and enhance social awareness. Apart from all weak points of academic background, fresh graduates have the ability to communicate due to strong emphasis on English language in academics. Such ability enables telecom employees to influence less-literate customers and capture huge market share for the survival of telecom sector. Relationship management improves due to better communication and influencing ability which produces high performance outcomes.

S.Singh, D.K.,Singh, M.K.,Singh & S.K. Singh (2010) conducted a study to forecast 3G market in India. The focus of this study was to examine the factors affecting the adoption of 3G services among Indian customers. The results of the study were that perceived usefulness is the most important factor that influences attitude towards using 3G services; intrinsic motivation is significantly influencing intention to use; perceived service quality is significantly influencing attitude towards using; apprehensiveness and individual characteristics are the other factors that influence attitude towards using. But they have less significance. Even though perceived ease of use directly influences attitude towards using, the indirect influence through perceived usefulness is even greater. Cost of adoption and perceived risk are the other two important factors which significantly influence (in negative) the attitude
towards using. Subjective norms and lack of knowledge has no significant influence on attitude towards using. The result shows that there is a promising future for 3G-services in India.

Jain (2011) said that India has become one of the fastest growing telecom market in the world because of its large population, low penetration of telephony, a rise in customers' disposable income and spending power owing to economic growth. In November 2007, the telecom ministry decided to introduce mobile number portability (MNP) in stages, beginning with metros. She says that MNP would increase the competition in the mobile telephony market in India as customers will have the option to switch operators, if they are not satisfied with their current operator. International experience proves that there is substantial improvement in the quality of services after introduction of number portability but Indian mobile operators are not very keen to implement it fearing customer churn. The implementation of MNP will hit the operating margins of service providers and only those with deeper pockets would be able to cope up with this change. The pan India implementation of mobile number portability will result in churn of customers and lower the ARPUs (average revenue per user) of the operators. The operators would need to offer service quality, low tariff plans and strong network coverage to retain the customers. Differentiating services like 3G can also pull customers towards a particular operator.

Murthy & Varalakshmi (2011) examined the factors that affect the customer perception to choose mobile telecommunications service in the Sultanate of Oman. The customers moderately agreed that call rate charges were satisfactory and they often got innovative schemes to keep their services for long time. They were not satisfied with the internet, network coverage and employee efficiency. They were also
dissatisfied with the way the employees dealt with customer queries. They strongly agreed that the employees always welcomed the new customers to subscribe for their products and services with delight. It was found that the customer will not stick with the service provider only for the sake of brand image. It was found that the female customers possessed more awareness in selecting the services. It was also found that the respondents with higher educational qualification possess high perceptions about call rates, internet services, brand image and innovative schemes of the company.

Sathish, Kumar, Naveen & Jeevanantham (2011) studied consumer switching behaviour in mobile service providers in Chennai. It was found that the reasons in order of importance due to which customers switched their operators were call rates, network coverage, value added service and customer care. Advertisement came out to be the least important factor. Poor network coverage, frequent network problems, high call rates, influence from family and friends are the most important factors which affects the switching behaviour. According to the study, the most preferred service provider was Airtel (31%). BSNL occupied the second place with consumer preference of 17%, followed by Reliance (15%), Aircel (13%), Vodafone (11%), Uninor (9%), Tata Docomo (3%) and the least preferred operator is Tata Indicom (1%). 47% of consumers were likely to switch to other service provider. About 39% of consumers did not prefer switching their service provider. And 14% of consumers had a neutral stance on switching their service provider. It is found that majority of the consumers were influenced by the family to select their service provider and a sizeable number of the consumers were influenced by their friends.

Saravanan (2013) analyzed the trend of foreign direct investment and the growth of Indian telecom sector. The researcher cited that there are lucrative incentives for foreign collaborations in the sector. Industrial license is not required for
setting up of manufacturing units of telecom equipment and 100% FDI is allowed for the manufacturing of telecom equipment. Foreign companies receive royalty for transfer of technology and for use of trademarks and brand names. These are few opportunities for the foreign investors. The FDI inflows have been increasing over the years in the telecom sector. The sector has been receiving FDI from countries like Mauritius, Singapore, Russia, Japan and U.S.A.

2.3 Studies related to Organizational Change and Change Readiness

Chutima, Morgan & Griego (1998) studied the relationships between readiness for change and margin in life (which is determined by the load and power) and demographic variables of employees of a manufacturing company and found that the demographic variables like the department in which the employee worked, position of the employee and the experience of the employee were related to readiness for change but not to margin in life. They also supported that employees who gained more personal power than burden from their relations with their managers were more ready for changes. It was also found that employees in managerial positions had higher change readiness as compared to employees in non managerial positions.

Vaara (2000) studied the making of cultural differences in post-merger change processes in eight Finnish-Swedish merger cases. It was found that fear of change, anger and other negative emotions easily lead to cultural confrontation whereas positive emotions are linked with cultural attachment. One intriguing discovery was that representatives of specific cultures have significant power in the internal debates due to their superior knowledge of the beliefs and practices in the organization culture in question.
Bauer and Bender (2002) analyzed the effects of technological and organizational changes on gross job and worker flows. One of the findings of the study was that technological change did not affect gross job and worker flows significantly. If anything, new information technologies seemed to increase were the churning rates among professionals and engineers.

Tredway (2004) studied the relationship between change readiness scores and learning of individuals in an organization undergoing a complex change like, merger and acquisition. The change readiness scores in the organization were lower before acquisition. The scores improved after the change process with the help of learning interventions. The change readiness scores of the managers above 45 years of age were more than those in the age range, under twenty-five and twenty five to forty five.

Vakola and Nikolaou (2005) studied the attitudes of employees towards organizational change and the role of employees’ stress and commitment in organizational change. The results suggested that employees who were under high stress showed lower commitment to change and were reluctant to accept interventions introduced in name of organizational change. The factor which showed the greatest impact on the attitude of employees towards change was poor relationships at work suggesting that unhealthy relationships at workplace can reduce the change readiness of the employees. Almost all occupational stressors were related to negative attitudes to change. Stress created by bad work relationships, overload, unfair pay and benefits can cause negative attitudes toward organizational change and, therefore, inhibit change processes. More specifically, lack of a socially supportive environment, as expressed by bad work relationships, was found to be the strongest predictor of negative attitudes towards change.
Neves & Caetano (2006) conducted a field research to clarify the role ‘trust in the supervisor’ plays in implementing organizational change. The survey was done after a new Quality Management System was implemented. Trust in the supervisor only increased organizational commitment when perceived control over change was low. High levels of trust bring improvement in the quality of relationship with the supervisor, overcoming feelings of low control over the situation taking place, and thus leading to increased organizational commitment. However, those with higher perceptions of control, since their beliefs, attitudes and intentions toward the change intervention are already in a stage of readiness for change; do not need trust to enhance their commitment to the organization. These employees are highly committed to the organization, regardless of their level of trust in the supervisor, since they believe they have some control over the major change that is affecting their work. The employees that presented the lowest levels of affective organizational commitment were the ones with both low perceived control over change and low trust in the supervisor.

Rafferty and Simons (2006) investigated readiness of employees for two types of organizational changes, corporate transformation changes and fine-tuning changes, and explored the antecedents of readiness for these changes in a number of public sector organizations. Respondents that had been in their organization for a minimum of 2 years were selected for inclusion in the study as there was a need for employees to have experienced a variety of organizational changes in order to be able to respond to the survey. Readiness for fine-tuning changes was higher (mean = 3.95) than readiness for corporate transformation changes (mean = 3.45). Participation was uniquely positively associated with readiness for fine-tuning changes. However, participation was not uniquely positively associated with readiness for corporate
transformation changes. Self-efficacy for change displayed a unique positive relationship with readiness for both types of organizational changes. It was supported that trust in senior leaders displayed a significant unique relationship with readiness for corporate transformation changes as well as for fine-tuning changes. Trust in peers was uniquely positive associated with readiness for fine-tuning changes. Trust in peers did not display a significant unique relationship with readiness for corporate transformation changes. Perceived organizational support was uniquely positively associated with readiness for corporate transformation changes. However, perceived organizational support was not significantly uniquely associated with readiness for fine-tuning changes. Flexible policies and procedures were significantly uniquely associated with readiness for corporate transformation changes but were not uniquely associated with readiness for fine-tuning changes. In contrast, logistics and systems support was uniquely positively associated with readiness for fine-tuning changes but was not uniquely associated with readiness for corporate transformation changes.

Tayal (2006) studied the turnaround process in the banking sector with focus on The Bank of Rajasthan Ltd. The research, in two parts, studied the decline of the Bank and then its turnaround. The decline, turnaround and perceptions thereof were studied with respect to the following change levers: Leadership, Strategy, Structure, Human Resource Management Practices, Technology, Marketing, Quality and Costs. Perception on the impact of each of these in the Decline and Turnaround of the Bank was sought. Leadership and Structure emerged to be the strongest factors responsible for the decline of the Bank as per the perception of the employees. Technology turned out to be the most significant of the change levers responsible for turnaround with Marketing being the second reason. Training and Rewarding for Change was found to have a positive impact on the image of the bank with the employees. Manipulation, as a means of implementing change, has a negative effect on this image.
Armenakis, Harris, Cole, Fillmer & Self (2007) provided a five-sentiment framework which provides a useful and reliable tool for coding interview responses to a change process. The five sentiments are: discrepancy, appropriateness, efficacy, principal support and valence. ‘Discrepancy’ is the term used when describing a deviation from acceptable performance. Discrepancy captures the sentiment that a need for change exists. The employees must identify that discrepancy exists and should have faith that the specific organizational change which is being proposed will effectively work to remove that discrepancy in order to support change. This second sentiment is labeled ‘appropriateness’, i.e, if the change is suitable or not. The third sentiment is labelled ‘efficacy’ and is defined as confidence in one’s personal and organizational abilities to successfully implement the organizational change. ‘Principal support’ is defined as the belief that change agent(s), organizational leaders, one’s immediate manager and one’s respected peers demonstrate that they support the organizational change and are motivated to see it through to success. ‘Valence’ refers to the perceived personal benefit (or personal loss) one may reasonably expect as a result of an organizational change.

DaSilva & Wetzel (2007) conducted a study among employees in eight organizations which underwent organizational changes, to gauge the reactions of these employees towards these changes. Privatization had taken place in four of the eight organizations and the employees felt that this event had a major impact on them. Though different kinds of organizational changes were taking place in these organizations, but the employees felt that there were some similar outcomes of these changes. The work had intensified; work had larger volume, teams had become smaller and the responsibilities of the employees had increased. The jobs had become vulnerable, less stable and job insecurity had increased. Due to these reasons the
employees felt that their psychological contract with the organizations had weakened. They felt work had become more chaotic and they felt loss of control over time. Institutional time had taken priority over interaction time with colleagues and self time. Employees also felt pressurized in the new work settings to give up part of their family duties, leaving them to other members of the family like to the spouse or to grandparents or some other relative. This also lead to reorganization of family time.

Dibella (2007) presented critical perceptions of organizational change. The key perception or cognition is whether some planned or intentional change is considered desirable or undesirable. This distinction is a key factor for a member of an organization to decide whether to engage productively in a change initiative. This perception provides a foundation upon which resistance or participation ultimately rests. Anyone who views change as undesirable is unlikely to help bring it about or worse may sabotage the efforts of those trying to do so. A second key distinction for change participants or recipients is the likelihood that the change will be realized. There are four scenarios as a function of the two factors (Appeal – desirable/undesirable, and Likelihood – inevitable/impossible). Scenario 1 (High Appeal, High Likelihood): Expedite: For a change manager functioning in Scenario 1, the task is relatively clear. Participants show minimal resistance. The focus of change managers should be the development and execution of an implementation plan that lays out critical tasks and timeframes. Scenario 2 (High Appeal, Low Likelihood): Encourage and Empower: A change manager functioning under this scenario must work with willing but skeptical participants. The skepticism comes from a sense of not being able to realize a desirable change like improving employee benefits or working conditions. However, a change advocate working under these conditions has the benefit of the goodwill of change recipients. The key is to increase conviction that the
change is likely to occur. Scenario 3 (Low Appeal, High Likelihood): Reframe: Of the four scenarios, this one probably best meets the stereotypical conditions where resistance to change is expected. When participants must engage in a change they perceive as undesirable, they are unlikely to do so willingly or constructively and will often work at cross purposes with change advocates or stakeholders who view the change in more positive terms. A typical reaction among participants in this scenario is to reduce their engagement and thereby lower the likelihood of the change. The key for change managers is addressing the emotional state of participants who are confronting change that has little or no appeal. Scenario 4 (Low Appeal, Low Likelihood): Revitalize or Retrench: This scenario presents a change manager with the greatest challenge. Not only is the change viewed as undesirable but impossible as well. Under these conditions there is no clear incentive for participants to engage in the change. Participants are apt to be defiant, if not outright belligerent, to change advocates whose credibility will be tested and questioned. In this scenario a change manager has several tactical and strategic options to consider. A change manager could work to shift perceptions regarding the low appeal of a change or its improbability.

Jimmieson, Bordia & Irmer (2007) said although uncertainty has been identified as a major consequence of organizational change for employees, there still remains a lack of understanding regarding the processes through which employees address such perceptions. Their research examines the role that different sources of communication play in addressing change-related uncertainty for employees. They classified uncertainty into three types, namely; strategic, implementation, and job-related uncertainty. From employee responses, it was revealed that specific change-related uncertainties may be best addressed by different sources of communication.
Findings suggested that direct supervisors were the preferred sources of implementation-related and job-relevant information during change, while senior management typically provided more strategic information. Employees who perceived the information they received to be poor in quality, were more likely to describe feeling uncertain about aspects of the change. Furthermore, results indicated that trust influenced which sources employees sought information from and how they appraised the information they received.

Kaur (2007) studied organizational change and its impact on employee job satisfaction and customer satisfaction in a few selected public sector banks (State Bank of India and Punjab National Bank) in and around Chandigarh. It was inferred that the most important change lever in which maximum number of changes were sought was technology. Education and training, involvement and participation of employees were found out to be good means to implement and manage organizational change effectively. It was found that overcoming fierce competition prevalent in the market was the main cause of changes. The banks faced competition from the new private sector and foreign banks in the market. It was also inferred that the main cause for resistance to change was the culture and the strategy of the bank and also lack of time and resources. The study measured the level of job satisfaction before and after the change initiatives. Significant differences were observed in the satisfaction levels of employees of both the banks before and after the change initiatives. The same was observed for the customers.

Nikolaou, Gouras & Vakola (2007) identified traits and skills which should be present in change agents. The sample used for this study comprised 105 executive MBA students in Greece. The simulation was based on a business game scenario which was designed to assess participants’ reactions to change. The current study tries
to shed light if dispositional characteristics and competencies are related to attitudes to change. Participants completed self-report questionnaires assessing their dispositional traits whereas their performance and change management skills were assessed by independent observers. Dispositional Measures were: Core self evaluations, openness to experience, psychological resilience, generalized self-efficacy, locus of control and resistance to change. Significant competencies and skills which are important for the effective change agent were negotiation skills, conflict skills, communication skills, team building skills, leadership skills, and project management skills. The result was that most dispositional traits, with the exception of openness to experience, were correlated with the attitudes towards change in the expected direction but the correlation was not very significant. The findings suggest that resilient persons can be proved to be more ready to accept and apply change.

Self, Armenakis & Schraeder (2007) studied the relationship between three attributes of organizational change (that is, content, process, and context) in a Fortune 500 telecommunications firm. The content variable identifies the ‘what’ in the change initiative. The change process is the how factor of change. Contextual factors are the circumstances, or the existing external and internal conditions that have been shown to influence organizational effectiveness. Perceived organizational support (POS), and the relationship between employees and their immediate manager, namely, leader-member exchange (LMX) are some of the internal contextual variables that can influence the success of a change effort. Results revealed that organizational change (an employee outcome variable) is strongly related to the impact of the change on employees (a content variable) and organizational communication media (a process variable). Furthermore, the results of this study indicated that the extent to which
employees perceive an organizational change as justified is influenced by their perceived organizational support (an organizational context variable). It is important to point out that the justification for an organizational change was strongly and negatively correlated with the impact of change on employees. The relationship between change justification and organizational communication media was positively correlated. Organizational leaders can expect employees who perceive organizational support as high will be more likely to also perceive organizational change as more justified. But when employees feel perceived organizational support is low, they will not consider the changes as justified. Therefore, a conscientious effort must be undertaken to build organizational support prior to implementing any change. It was found that leader-member exchange did not moderate the relationship between justification and impact of change and organizational communications media. Such an outcome was somewhat surprising. However, there appears to be at least two possible explanations for this finding. First, leader-member exchange views leadership as a unique dynamic that occurs between immediate supervisors and their employees (Gerstner and Day, 1997). The nature of this relationship creates an environment of reciprocity, more specifically between the supervisor and the employee, rather than the employee and the organization. The change initiative would be recognized as coming from the organization (that is, a global change agent), not the immediate supervisor. Another reason can be there may not have been enough work groups with unfavorable leader-member exchange conditions to moderate the relationship.

Hallgrímsson (2008) studied the change readiness of employees in three organizations in Iceland during times of proposed merger. He found that employees who reported high levels of job satisfaction reported higher levels of change readiness. Employees who reported high levels of uncertainty at time of change
reported lower levels of change readiness. Employees who had high levels of organizational commitment also showed higher levels of change readiness. Findings suggested that employees’ change readiness is reflected in the attitudes of executive managers. Findings also suggested that employees and executive managers in organizations facing discontinuous or radical change did not report lower levels of change readiness, than those facing incremental organizational change.

Susanto (2008) studied the change readiness of employees in a manufacturing company in Indonesia. Change readiness measurement was judged on seven aspects, namely perception towards change effort, understanding the vision for change, mutual trust and respect, change initiatives, management support, acceptance to change, managing change. Observing all seven aspects of change readiness, obtained ranks were as follows: (starting with the highest score): Acceptance to Change-3.34, Change Initiatives-3.26, Managing Change-3.2, Management Support for Change-3.04, Perceptions toward Change Effort-2.84, Mutual Trust and Respect-2.82, Understanding the Vision for Change-2.46.

Walinga (2008) studied a university soccer team through three seasons as they underwent a transformational change in their quest to become national champions. The study was more interested in exploring readiness in terms of being ‘at peace’. The data from this research revealed a new type of focus not accounted for in the transactional theory of stress and coping. Many of the team members believed ‘hitting rock bottom’ accounted for their successful transformation, acting as a sort of ‘trigger’ or ‘restart’ and enabling them to gain greater clarity about their goals as well as strategies for achieving these goals. For instance, the goalkeeper focused not on regretting or blaming herself for a missed save, or even trying harder next time, but instead focused on the challenges that a difficult shot posed for her and how she might
resolve an unexpected ‘spin on the ball’. When faced with rainy conditions, the tolerant player focused not on denying or pushing through the rain but on the problems the rain creates for her and how to resolve the resulting ‘lack of ball control’ or ‘slippery field conditions’. The researcher describes an approach for encouraging readiness for change, a model which supports individual change readiness by enabling a shift from threat and control-focused coping to problem-focused coping, thereby increasing capacity to deal positively with the change.

Dijk & Dick (2009) investigated the employee resistance process in law firm mergers. Working within a social identity framework, a merger can be seen as the creation of a new overarching identity for group members, with the fusion of two organizations between an ingroup and a former outgroup into a larger unit. It was found that employee resistance to change can be understood as a response to a perceived threat posed to their work-based identity by the change processes. Organizational change has an impact on employees’ work-based identities, and where this poses a threat to their positive social identity, employees respond through resistance.

Neves (2009) tested the proposed readiness for change model during the implementation of a new performance appraisal system in a Portuguese public university. The proposed model suggested that self efficacy and appropriateness of change affect the employee’s affective commitment to change which further affects his level of individual change and turnover intentions. It was found that change appropriateness was positively related to affective commitment to change and that affective commitment to change mediated the relationship between change appropriateness and both individual change and turnover intentions. Contrary to expectations, self-efficacy did not present a significant relationship with affective
commitment to change while self-efficacy presented a direct negative relationship with turnover intentions.

Barber (2010) studied the relationship between the change readiness of the frontline workers towards transformational changes that took place in a not for profit nursing home and their demographic factors, organizational commitment, organizational support and supervisor support. Demographics were not found to be significantly related to their change readiness whereas positive correlations existed between change readiness, organizational commitment and supervisor support.

N. Shah & S.G. Shah (2010) said employee attitudes and behaviors can be influenced through workplace factors. They studied the impact of relationships with supervisors and peers and demographic characteristics on readiness for organizational change. The results proved that positively significant correlations existed between employees’ attitudes and behaviors towards change and supervisor and peer relations. It was also found that employees who had more number of dependents felt more open to and ready for organizational change.

Barrera (2011) examined the relationship between organizational commitment, job satisfaction, demographic variables, and readiness for change of the employees of a public service utility. It was found that there were significant correlations between readiness for change organizational commitment, job satisfaction and demographic variables.

Choi & Ruona (2011) stated that individual readiness for organizational change reflects the concept of unfreezing proposed by Lewin and is critical to successful change implementation. Understanding the conditions which are conducive to individual readiness for organizational change, instead of focusing on traditional
emphasis on resistance to change, can be useful for designing and implementing effective human resource and organization development (HROD) interventions. They suggested that individuals are more likely to have higher levels of readiness for organizational change when (a) they experience normative-reductive change strategies and when (b) they perceive their work environment to have the characteristics associated with a learning culture.

Mangundjaya (2012) conducted a study to identify the relationship and impact between organizational commitments, employee engagement to individual readiness to change. The study was done in four financial companies, that consist of three private owned banks and one government owned financial company. The results showed that both organizational commitment and employee engagement are positively related and have contributed to individual readiness to change. The results also showed that the correlation of organizational commitment is stronger than employee engagement to individual readiness to change.

2.4 Studies related to Adversity Quotient

Stoltz (1997) the pioneer of AQ, studied AQ in relation to performance in various companies. He studied new experienced hires at Deloitte & Touche. The initial study explored the correlation between AQ and performance; AQ and promotion within the company. AQ showed positive correlation with performance and promotion of employees at D&T. It was found that employees with higher AQ performed better and were more likely to be promoted than the employees with lower AQ scores. Pilot studies on the AQ training with different level of managers revealed an 18 percent increase in AQ as a result of the training. Another study was conducted at Diversified Collection Services, the largest loan collection agency in the United
States. The study was done on 450 employees at three different locations. The purpose of this study was to explore to what extent AQ predicted performance within the organization. AQ predicted performance in the organization, with top performers having statistical higher AQS than lower performers. In a different study at MP Water Resources, a water utility company located in 11 states, including Florida Water Services, the largest private water utility in Florida, Stoltz and associates studied the AQ of top 60 company leaders and then the leaders were provided the AQ training to enhance their AQ and performance. The training was given in two phases. The initial mean AQ score before training was 132. The mean AQ score after first session of training was 154 and the mean score improved to 172 after the second training session.

DelaFuente and Lee (1999) studied the adversity quotient of graduating students of a college. It was found that the outgoing batch had moderate AQ score. Also, they scored averagely on all the dimensions of AQ. The researchers concluded that most of the times, the students were able to handle adversity quite well, depending on the degree and duration for which the adverse event lasted.

Markman (2000) studied the adversity quotient of 199 patent inventors. He differentiated between technical entrepreneurs as those who by using their inventions built new organizations from technical non entrepreneurs as those who just worked for organizations. Although all the participants in this study invented some patentable technology, only those were considered entrepreneurs who converted their patents into commercial products or services and used their inventions through firm formation. The process of converting opportunities into commercial products or services to start one’s own business is accompanied with a lot of challenges and requires strong determination and self-belief. The results were that technical
entrepreneurs possessed higher perceived control over adversity and accountability for the outcomes of the adversity as compared to technical non entrepreneurs. On the other hand, they scored somewhat similarly on the ‘reach’ and ‘endurance’ dimensions of AQ.

Abejo (2002) conducted a study on the adversity quotient of employees of a college. Most of the employees of the college were found to have moderate level of adversity quotient. Gender of the employees did not relate significantly to their AQ. But older employees were found to have higher adversity quotient than the younger employees. Lastly, there was no significant difference in the AQ of the workers working in teaching, non-teaching and administration.

Sharkans (2002) studied the relationship between resilience and job satisfaction in some mental health care workers who worked at a community mental health center in Pennsylvania. It was found that these workers were facing adverse conditions such as very low pay, little respect at workplace, lack of supervision, peer support, and organizational support and their AQ scores were very low. The researcher said that how they respond to these adversities can impact patient care, their likelihood of staying in their job, and their mental health. It was found out that there was no significant correlation between AQ scores and Job Satisfaction.

Williams (2003) examined the relationship between a principal’s response to adversity and student achievement, the relationship between principal and teacher’s response to adversity, and principals’ perceptions of adversity in education. The results of this study showed that students attained higher achievement scores in schools with higher AQ principals. The study also found that teachers’ perceived control over their work environment may influence principal/teacher relationships and
student achievement. The study also suggested that principal’s response to adversity may influence school climate, teacher self-efficacy, and student achievement. A negative correlation exists between principals’ AQ and teachers’ AQ that participated in this study. The qualitative analysis on principal perceptions regarding their response to adversity revealed a wealth of information. The idea of adversity as an obstacle to education was not a familiar concept among the interviewed principals. However, once addressed, it became readily identifiable. All five interviewed principals agreed that adversity was becoming more prevalent and affected student achievement. A consensus among principals was the lack of control they perceived they had over adverse events and situations.

Lazarro (2004) studied the relationship between adversity quotient and performance level of a number of middle managers working in different departments in the city of Manila. He used 360 degree method to measure the performance of the managers. The researcher found high correlation between their AQ levels and their performance levels. When he studied adversity quotient in relation to the demographic profile of the managers, he found that there was no significant relation between their age, gender and the adversity quotient scores. He supported the idea that people who possess high AQ never allow age, gender, race, physical or mental disability, or any other obstacle to come in their way.

Elaine (2005) studied the differences in the Adversity Quotient levels of female school teachers of public and private schools. AQ and their demographic profile indicated that majority of the respondents who fell under the early adulthood stage category possessed moderate AQ, while their older counterpart possessed moderately low AQ. The results of the study disclosed also that both public and
private female grade school teacher respondents have moderate Adversity Quotient levels.

Haller (2005) conducted a study to investigate the possible relationship or impact that adversity, obstacles, and challenges had on the shaping and development of prominent leaders. The nine primary participants, prior to becoming prominent leaders, experienced various degrees of adversity in their youth and adult lives. These difficult experiences included being a Holocaust victim and being interned in a Nazi concentration camp at age 7; seeing his mother killed in front of him at age 14; two tours of duty in U.S. Special Forces in Vietnam; losing a right arm in battle in World War II; the premature death of a parent; discrimination including racial, gender, or age; death of a business partner; going broke in businesses; take-over attempts of his business; losing an election; personal relationship strife or divorce; coping with dysfunctional and deceitful regulators; being investigated by regulatory and legislatures who had their own political agendas; extreme poverty; and other adversities. Several themes surfaced during the interviews, including the following: (a) early adversity in their youth, while important, was not the most important event in their lives; (b) obstacles and adversity were perceived as challenges which could be turned into opportunities; (c) facing adversity and successfully overcoming obstacles was important in their progression and growth as leaders; (d) having mentors to help, guide, motivate, and inspire them was very important; (e) serving people, and being humble were essential; (f) having a strong religious faith and or strong family ties, or both, was important and helpful; and (g) their concepts and ideas about the nature of leadership influenced their experiences heavily.

D’Souza (2006) studied Adversity Quotient of some secondary school students in relation to their school performance and school climate. The researcher
found out that students with different levels of AQ from different school types vary in their perception of the school climate. She found that students from CBSE and ICSE schools are better than SSC school students at handling adversities. This could be attributed to school type and the challenges put forth by their respective curricula. CBSE and ICSE schools have activities like project work, assignments which demand students to work on their own. When they worked individually, they faced adversities and also learnt how to overcome it. On the other hand, SSC students were generally ‘spoon-fed’ which made it difficult for them to do something challenging when they are left to work individually like in project work.

Langvardt (2007) examined the relationship between resilience and commitment to change of some employees in a non-profit organization during a time of organizational transformation. It was found in the study that employees with higher levels of AQ were more committed to change during times of organizational transformation.

Enriquez (2008) studied the effects of Mentoring Programme on Adversity Quotient of some students. The Adversity quotient of the respondents was measured before and after the mentoring programme. The findings of the study were that most of the respondents’ AQ Score on the pre-test fell within the low range, most of the respondents’ AQ Score have improved on the post test. The mentoring program has a significant effect on the Adversity Quotient of the respondents.

Almeida (2009) believes that our young children or students are not exempted from the rat-race of unhealthy competition, challenges to seek admissions in desired courses, increasing expenses of education, rising parameters of success, increasing peer pressure and unfavourable educational environment etc. Hence she feels that,
there is an emerging need for AQ Programmes to be conducted, which can help our students to rise, take the responsibility and fight against the adversities at hand. For this purpose she developed a programme for enhancing the AQ of students, providing them with a weapon and strengthening them to develop an appropriate response to the adversity at hand. At the end of the programme it was observed that there was a significant difference in the post-test means of AQ of the students. The researcher observed a thorough change in the attitude of students towards facing adversities in life. The students had begun to analyze the situation and gradually think of a solution to improve the situation. If one would panic, others would help to formulate a suitable response to the adversity.

Canivel (2009) conducted a study to investigate the association between the Adversity Quotient, leadership style, performance and practices among the principals in some private schools. The computed mean score of the Adversity Quotient of the principals was within the average range. Among the four dimensions of AQ, the principals scored below average on ‘ownership’; all the rest got average scores; participating leadership style emerged as best, followed by selling leadership style, delegating leadership style, and telling leadership style; both performance and practices have positive response to Adversity Quotient; there was no correlation between the principals’ Adversity Quotient and the principals’ leadership styles; and lastly the Adversity Quotient and leadership styles of the principals’ responses has no significant correlation with demographic profiles.

Huijuan (2009) investigated the Adversity Quotient and academic performance of the some college students. It was found that the Adversity Quotient of the respondents was not influenced by their gender. However, course and year level were found to be significantly related to their adversity quotient for the student
respondents in this study. The level of Adversity Quotient and academic performance of the respondents were found to be significantly related to each other.

Uraisa and Rungsayatorn (2009) conducted a research of family ties and Adversity Quotient, and the behavior of preventing suicide of some students of a public university in Thailand. The results showed that family relationship and Adversity Quotient were positively correlated with prevention of committing suicide. The results also showed that family ties, love, and unity were positively correlated with and influenced prevention of committing suicide. The Adversity Quotient dimension that positively correlated with and influenced prevention of committing suicide was ‘Control’.

Kanjanakaroon (2011) studied the relationship between Adversity Quotient and self-empowerment of lower secondary grade students in schools. The results of the research showed a positive relation between the two. Their AQ and self-empowerment were not found to be affected by their gender, age, class and grade point average.

Patdo (2011) conducted a study to compare the adversity quotient of parents with special children and adversity quotient of parents with normal children. The findings revealed that the respondents had average adversity quotient. The overall mean of AQ of the parents with special children was 122.05 and adversity quotient of the parents with normal children is 147.48. The adversity quotient of the respondents was not influenced by their age and gender.

Tripathi (2011) in his study found that mean AQ score of female top executives was higher than male top executives, executives in age band 40-44 had higher AQ than executives above 50 years of age, higher designation executives had
higher AQ, graduates had higher AQ than post graduates, income too positively correlated to AQ, executives living in joint or nuclear families had similar AQ scores, married executives had higher AQ scores than who were single, executives whose spouse was working had higher AQ scores than those whose spouse was a homemaker, executives who had no kids or more than one kid had lesser AQ than those who had one kid, executives with experience of less than 9 years had highest AQ, executives who perform more number of roles have higher AQ, professionals who travel for work have lower AQ than those who don’t, professionals who worked single handedly or in a large team of more than 70 members had higher AQ, professionals who work between 8-11 hours have higher AQ, longer than this, the AQ takes a dip.

Legaspi (2012) studied the self-efficacy and adversity quotient of 50 teenage mothers. She found that the self-efficacy of the teenage mothers was high, their adversity quotient was low and there was no significant relation between the two variables and there was very little possibility that the two variables were negatively correlated.

Olila (2012) conducted a study on educators in both public and private institutes and found that their AQ was not related to their age, gender, civil status, educational attainment, length of service and their overall AQ score was below average. Some relations were found between their AQ and personality temperament traits too.

Bantang et al.(2013) found in their study on police officers that there is no significant relationship between gender, civil status, age and length of service and AQ. Relationship existed between educational attainment of police officers and AQ’s
‘control’ dimension. They also found that significant relationship existed between their job satisfaction and ‘ownership’ dimension of AQ. None other dimension related to job satisfaction.

Cornista & Macasaet (2013) in their study on students found no significant relation between the AQ of the students and their age and gender, year level significantly affected their AQ, significant relationship existed between their AQ and motivation of achievement, inner resources, interpersonal strengths and work habits.

2.5 Conclusion

On the basis of the literature reviewed above, the following major conclusions can be drawn:

- Globalization and liberalization are responsible for bringing similar kind of changes in the telecom industry worldwide.
- The Indian Telecom Sector is not an exception and a lot of changes are taking place in the sector as have taken place in the other developing nations.
- Studies show that the organizations which have not been able to manage these changes effectively have suffered losses.
- These organizational changes directly affect the employees in terms of their roles and duties, their routines, methods of operating and other aspects of their jobs.
- A lot of research has been done on organizational change and resistance to change. Change readiness of the employees is a less talked about topic.
- Employee change readiness is a pre condition for successful implementation of change processes.
• Employees undergo different feelings like, tension, anxiety, stress, confusion, uncertainty, fear, anger, insecurity, loss of control, vulnerability during times of organizational change.

• Relationship with peers and supervisors plays an important role change readiness.

• Most of the research has been done on second order changes and less on first order changes.

• Change readiness has been studied in relation to employee stress, organizational commitment, employee engagement, supervisor relationship, job satisfaction, demographic variables etc. but not in relation to AQ of employees.

• Adversity Quotient has been studied in relation to various constructs, like, performance, promotion, leadership, entrepreneurship, job satisfaction, optimism, commitment to change, academic performance, family relationship, self empowerment, self efficacy and demographic variables.

• A higher Adversity Quotient has been found to be instrumental for satisfactory performance in many facets of life.

• Measuring and improving the AQ of the employees and executives in organizations has been proved to improve their organizational performance.

• Little research is done on employee Change Readiness and Adversity Quotient in India.

• Indian Telecom Sector which has undergone sea change has not been studied specifically on these two constructs. Hence the present study is a modest effort to fill some of these research gaps.
REFERENCES


PTT Telecom in Unisource, the Netherlands Antilles and Indonesia (Delft: Eburon).
