



ROLE OF CHANGE MANAGEMENT IN BUSINESS ORGANISATION- A STUDY

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ABSTRACT

KEYWORDS:

SME, Corporate sector, change management, organizational development.

Change management is the process, tools and techniques to manage the people-side of business change to achieve the required business outcome, and to realize that business change works effectively within the social infrastructure of the workplace. The present study made an attempt to analyze the economic environment and political factors impacting the organizational changes. The study used primary data of 500 respondents from organizations located in and around Bangalore city to analyze the data for effectiveness of economic and political environment, the present study used the descriptive statistics, percentage and graphical methods.

INTRODUCTION

Organizational development is the road to take when approaching organizational change because it plays an important role in organization self-assessment, as well as in assessing the external environment, the development of new strategies and the design of new organizational structures, generally in increasing economic efficiency. All the steps required by organizational development are aimed at the ultimate change of the management system and the overall behavior of members within the organization

Organizations today are facing more change than ever before, Change has become synonymous with standard business practice and an organization needs to change in order to remain competitive. The fast changing technological environment, workforce diversity, changing customer tastes and preferences as well as cut throat competition are some of the business complexities confronting management today. To overcome these challenges, organizations have to change. However, it is computed that at least more than half of all the organizational change programs fail, or reaches a deadlock, or do not reach the results, which they initially were aiming at.

Organizational development represents a response to changing technical, economic, political, social, cultural, that occurs in the internal and external environment of the organization. The organizations work in an environment increasingly uncertain, where the changes succeed quickly. The organization's ability to adapt quickly to these changes depend to a large extent to its competitiveness and finally performance in the use of resources at its disposal. Of all the

changes taking place in the external environment of the organization, the most prominent of which leads to effective organizational development actions are: globalization, computerization and management innovations.

Political Forces: Political environment within and outside the country have an important impact on business especially the transnational corporations. The interference of the government in business has increased tremendously in most of the countries. The corporate sector is regulated by a lot of laws and regulations. The organizations do not have any control over the political and legal forces, but they have to adapt to meet the pressure of these forces.

In our country, the new economic, policy has liberalized the economy to a large extent. Many of the regulatory laws have been amended to reduce the interference of the Government in business.

Economic Influences: the nature of the competition faced by the organization or its services, and financial resources available within the economy.

Advantages of Political and Economic Environment for Change Management

- ❖ Facilitates an understanding of the wider business environment
- ❖ Encourages the development of external and strategic thinking
- ❖ Can enable an organization to anticipate future business threats and take action to avoid or minimize their impact

- ❖ Avoids taking action that is doomed to failure from the outset, for reasons beyond your control.

Impact of Political and Economic Environment to Change Management

Political Environment	Economic Environment
➤ Government type and stability	❖ Stage of business cycle
➤ Freedom of press, rule of law and levels of bureaucracy and corruption	❖ Current and project economic growth, inflation and interest rates
➤ Regulation and de-regulation trends	❖ Unemployment and labour supply
➤ Social and employment legislation	❖ Labour costs
➤ Tax policy, and trade and tariff controls	❖ Levels of disposable income and income distribution
➤ Environmental and consumer-protection legislation	❖ Impact of globalization
➤ Likely changes in the political environment	❖ Likely impact of technological or other change on the economy

REVIEW OF LITERATURE

Most of the authors expressed in the view the point of the effectiveness and specificity of change management in business organizations. This study aims to contribute to research on change management in top, middle and lower level organization by addressing the effectiveness and specificity of the change. organizational change will be a hapless endeavor without the appropriate leadership, employee engagement, communication to and commitment of individuals. The management of these four variables in the change management process play a pivotal role in the implementation of new ideas in organizations. (Lewin, 1951; Kotter, 1996; Peddle et al., 1998; Paton and Mc Calman, 2000), middle management and supervisors are absolutely necessary for the employees' involvement. In addition to this, she has also observed that the perception of the employee and organizational culture also matter in the investment (Kumari 2004). As the implementation of organizational change ultimately depends on the support of employees (Bartunek, Rousseau, Rudolph and DePalma2006: Herold, Fedor, & Caldwell, 2007), Planned change is assumed to be more appropriate for highly bureaucratic organisations (Coram and Burnes, 2001: weick & Quinn, 1999), and the rapid and continual innovation in technology is driving changes to organizational systems and process. The success of small business which are related to forming alliance. New technology use, experiences and knowledge exchange among entrepreneurs and similar. Leadership and management skill, such as visioning, prioritizing, planning, providing feedback and rewarding success are key factors in any successful change initiative. (M Radovic and Markovic2008).

PROBLEMS

Most of the authors expressed in view the point of changes in management to global business environment, political environment, economical changes which includes upgradation infrastructure, application of new business

models, competition etc., none of the studies are not cover the technological and social factors impact in organization changes, so that the present study entitled "a study on effectiveness of change management in corporate sector" in this direction.

OBJECTIVES OF THE STUDY

1. To analyze the business concerns and gender profile in organizational changes;
2. To examine the economic environment factors impacting the organizational changes;
3. To study the political environment factors impacting the organizational changes;

METHODOLOGY

The present study uses primary data collected from structured questionnaire to 100 company's management authority. The sampling units were respondents of the management authority's selected on the convenience sample methods. The study was carried out by administering 500 respondents in different business concern in Bangalore city. There are two dimensions in this paper. The firstly analyze the economic environment factors impacting for organizational changes, secondly political environment factors impacting the organizational changes in different companies. Respondents were asked to rate the variables based on the five-point Likert scale. Analysis and interpretation has been drawn using SPSS (16.0). The statistical techniques used for analysis are percentage, graphical method. The scales used for the variables are as under:

ANALYSIS AND INTERPRETAION

The table 1 displays the types of the organization under study. It highlights the small medium and large scale organization for change management.

Types of organization	No's companies	Percentage
Small Scale	23	23.0
Medium Scale	31	31.0
Large Scale	46	46.0
Total	100	100

(Source: Field work)

Table -01 present the information about different types of the organization participated in our study. Out of 100 companies, 23 companies belong to small scale, 31 companies

belong to medium scale and 46 companies belongs to large scale corporate sector. However large scale company's participation is highest than other types of the companies.

In terms of percentages, out of 100 percent, 46 percent large scale industries, 31 percent medium scale business and 23 percent small scale business concerns were participated in our study.

In the table paragraph, gender wise respondent's participation in our study for change management to business concerns in Bangalore cities:

Table-02 Gender Wise Composition of Respondents

Gender	No's Respondents	Percentage
Male	315	63
Female	185	37
Total	500	100

(Source: Field work)

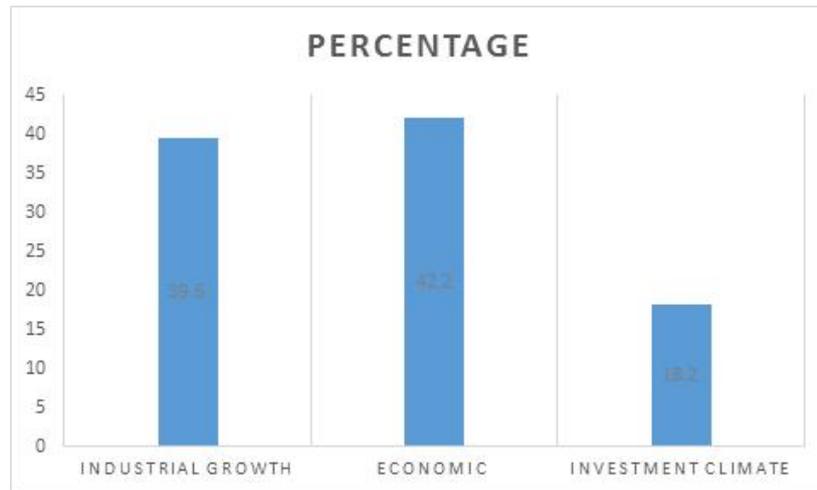
The above table presents the information about gender profile of sample respondents in business concerns. Out of 500 respondents 315 respondents are male and 185 respondents are female. Among the respondent's male respondents are higher than female respondents.

In terms of percentages, out of 100 percent, 63 percent male and 37 percent female respondents were participated in our study.

Table-03 Economic Environment Factors Impact of Organization Changes

Factors	No. of Respondents	Percentage
Growth of Industries after organization changes	198	39.6
Growth of Economic after organization changes	211	42.2
Growth of investment climate after organization changes	91	18.2
Total	500	100

(Source: Field work)



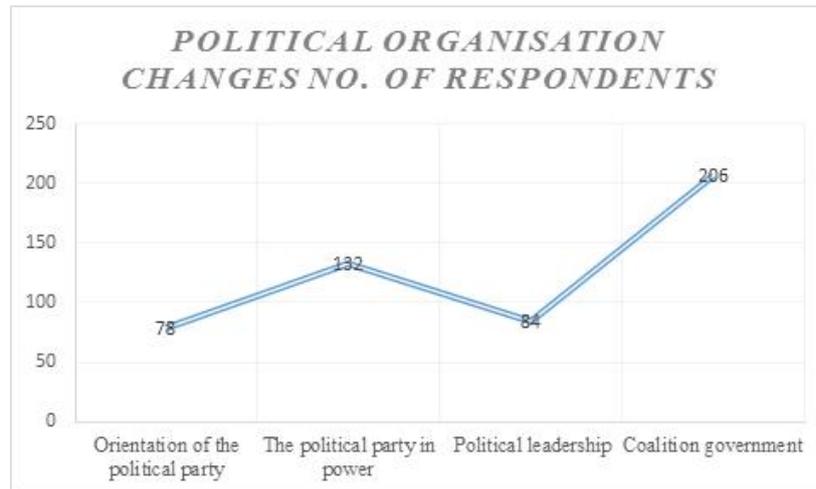
The present table and graph shows respondent's opinion about economic environment impact to organizational changes. Out of 500 respondents, 198 respondents stated that after the necessitates change among the organization 39.6 percent industrial progress can be achieved, 211 respondents opined that after the organizational changes 42.2 percent economic

development can be reached, 91 respondents accepted 18.2 percent of investment environment can be increased after the organizational changes. Therefore 211 respondents opined that if any changes made by organization economic condition can be improved than growth of industries and investment environment.

Table-04: Political Environment Factors Impact on Organization Changes

Factors	No. of Respondents	Percentage
Orientation of the political party (Capitalistic, Socialistic, Communistic)	78	15.6
The political party in power	132	26.4
Political leadership	84	16.8
Coalition government	206	41.2
Total	500	100

(Source: Field work)



The present table and line graph present the information about respondent's opinion relating to the political administration parties' stability, fluctuations and how to inspire the implementation of organization changes. Out of 500 respondents 78 respondent's (15.6%) responses to orientation of the political party i.e. Capitalistic, socialistic and communistic philosophy impacts the organization and necessitates change among organization, 132 respondents stated that political party in power impacts the organization and requires changes, 84 respondents accepted that political leadership stability require motivation to organization changes, finally 206 respondents strongly accepted to coalition government is very helpful to implementation of organization changes. However, alliance government (41.2%) is very supportive to any new innovative changes in business concerns.

MAJOR FINDINGS

The following are the major findings:

1. There are 100 organizations was participated in our study. however large scale company's (46.0) participation is highest than other types of the companies.
2. Out of 500 respondents 315 respondents are male and 185 respondents are female. Among the respondent's male respondents are higher than female respondents.
3. All the perception of respondents towards economic factors impact of organization changes in business concern, 211 respondents opined that if any changes made by organization economic condition can be improved than growth of industries and investment environment.
4. Out of 500 respondents, 206 respondents strongly accepted to coalition government is very helpful to implementation of organization changes. However, alliance government (41.2%) is very supportive to any innovative changes in business concerns.

SUGGESTIONS

1. Organization must disclose the financial statements to shareholders, investors, creditor, to attract investment when changes made by concerns.
2. Government should encourage the small, medium and large scale industries in relation to business policy, tax regulations, import and export trade and customs duty etc.,

3. Supportive State and Union government rules and regulations, subsidies to business concern is very appropriate when organization changes

CONCLUSION

Managing the human resources is critical and complex in the context of change in organization. Change is not just based on the physical resources in place, they are also focus on the softer dimension of the organization such as the system, process and most importantly the people within the organization. The present study highlights the impact of economic and political environment on changes made by organization. To conclude that with disclosing the reliable financial statements we can attract more public's interest towards the organization, because respondent's opinion in investment climate is very low, at the same time growth of economic condition and growth of industries are higher and political parties' principles, ethics, rules and regulation about encouraging the small, medium and large scale business concerns are very essential to adopt innovative changes in the business concern.

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