



**PSYCHOSOCIAL PREDICTORS OF EMPLOYEES'  
READINESS TO CHANGE AT INTERNATIONAL  
ISLAMIC UNIVERSITY MALAYSIA: ROLE OF JOB  
SATISFACTION AND ORGANIZATIONAL  
COMMITMENT AS MEDIATING VARIABLES**

**BY**

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degree of Doctor of Philosophy in Psychology**

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## ABSTRACT

The purpose of this study is to investigate the psychosocial predictors of employees' readiness to change. The present study examines the interrelationship between the psychosocial variables namely; appropriateness of change, management support, individual change efficacy, openness to experience and individual spirituality with employees' readiness to change. It also aims to investigate the mediating role of job satisfaction and organizational commitment in the relationship between psychosocial with employees' readiness to change. The research questions were explored using six instruments including Minnesota Job Satisfaction Questionnaire (MSQ) to measure job satisfaction, Organizational Commitment Questionnaire (OCQ) to measure organizational commitment, Openness to experience scale of (NEO-PI-R) to measure openness personality, Spirituality Well-Being (SWB) scale to measure individual spirituality, affective, cognitive, behaviour readiness to change to measure employees' readiness and psychosocial predictor of employees' readiness to change scale to measure appropriateness of change, management support and individual change efficacy. 428 random sampling of International Islamic University Malaysia (IIUM) staff consisting 214 academic staff and 214 non-academic staff were selected for this study. Descriptive analysis, T-test, One way ANOVA, and PLS structural equation modeling were used to test the hypotheses. Results indicate that appropriateness of change, management support, individual change efficacy, openness to experience; individual spirituality and organizational commitment significantly predicted employees' readiness to change. Job satisfaction was not a significant predictor for employee readiness to change in this study. Therefore job satisfaction did not show mediating effect in the relationship between variables investigated in this study. However, organizational commitment partially mediated the relationship between appropriateness of change, management support, openness to experience and individual spirituality with employees' readiness to change. In terms of demographic information, male employees showed higher readiness score than female employees. Older employees with higher educational background also showed higher readiness than younger employees with lower educational background. Exploratory analysis in this study confirms the three types of employees' readiness to change, namely affective readiness, behaviour readiness and cognitive readiness as second order construct of employees' readiness. Significant relationship was also found between psychosocial predictors with three types of employees' readiness to change. Individual change efficacy and management support significantly predicted three types of employee readiness. Openness to experience significantly predicts affective and cognitive readiness, while individual spirituality significantly predicted behaviour readiness. Findings in this study can be used to enhance employees' readiness in IIUM as well as the general framework in preparing intervention for enhancing employees' readiness to change in higher learning institutions.

## خلاصة البحث

تهدف هذه الدراسة إلى دراسة التنبؤات النفسية الاجتماعية لمدى استعداد الموظفين للتغيير. وهذه الدراسة تفحص العلاقة المتبادلة بين المتغيرات النفسية الاجتماعية، وهي: ملاءمة التغيير، والدعم الإداري، وتغير الفعالية الفردي، والانفتاح للخبرة، والروحانية الفردية مع استعداد الموظفين للتغيير. وتهدف أيضا إلى تحقيق دور الوساطة من الرضا الوظيفي والالتزام التنظيمي في العلاقة بين التنبؤات النفسية الاجتماعية لاستعداد الموظفين للتغيير. وقد تم استكشاف أسئلة البحث باستخدام ست أدوات، بما في ذلك استبيان رضا مينيسوتا الوظيفي (MSQ) لقياس الرضا الوظيفي، واستبيان الالتزام التنظيمي (OCQ) لقياس الالتزام التنظيمي، والانفتاح للخبرة مقياس (R-PI-NEO) لقياس انفتاح الشخصية، والرفاهيات الروحانية (SWB) مقياس لقياس القيم الروحية الفردية، والوجدانية والمعرفية، والاستعداد لتغيير السلوك لقياس استعداد الموظفين، والتنبؤ النفسي لاستعداد الموظفين لتغيير القياس لقياس مدى ملاءمة التغيير، والدعم الإداري، وتغير الفعالية الفردي. وقد تم اختيار ٤٢٨ عينة عشوائية من الموظفين لهذه الدراسة من الجامعة الإسلامية العالمية بماليزيا (IIUM)، بحيث يشمل: ٢١٤ من هيئة التدريس، و٢١٤ من غير الأكاديميين. وتم استخدام التحليل الوصفي، واختبار تي، واختبار أنوفا، وPLS الهيكلية المعادلة النموذجية لاختبار الفرضيات. أشارت النتائج إلى أن ملاءمة التغيير، والدعم الإداري، وتغير الفعالية الفردي والانفتاح للخبرة؛ والقيم الروحانية الفردية، والالتزام التنظيمي يُعد من المؤشرات الكبيرة لاستعداد الموظفين للتغيير. وأن الرضا الوظيفي ليس مؤشرا كبيرا لاستعداد الموظفين للتغيير في هذه الدراسة. وبالتالي فإن الرضا الوظيفي لم يظهر تأثيرا وسطيا في العلاقة بين المتغيرات التي تم التحقق منها في هذه الدراسة. ومع ذلك، فإن الالتزام التنظيمي قام بتوسط العلاقة بين ملاءمة التغيير، والدعم الإداري، والانفتاح للخبرة، والروحانية الفردية مع استعداد الموظفين للتغيير جزئيا. ومن حيث المعلومات الديموغرافية، أظهر الموظفون الذكور أعلى درجة للاستعداد من الموظفات الإناث الصغار مع خلفية تعليمية أقل. والمنهج التحليلي الاستكشافي في هذه الدراسة أكد ثلاثة أنواع من الاستعداد للتغيير لدى الموظفين، وهي: الاستعداد العاطفي، والاستعداد السلوكي، والاستعداد المعرفي كثنائي بناء لنظام استعداد الموظفين. وقد تم العثور على علاقة ذات دلالة إحصائية بين التنبؤات النفسية الاجتماعية، وثلاثة أنواع من استعداد الموظفين للتغيير. فعالية التغيير الفردي، ودعم الإدارة يعدان من المؤشرات الكبيرة لثلاثة أنواع من استعداد الموظفين. والانفتاح للخبرة يُعد مؤشرا للاستعداد العاطفي والمعرفي، في حين الروحانية الفردية تُعد مؤشرا كبيرا للاستعداد السلوكي. وأظهرت هذه الدراسة نتائج يمكن استخدامها لتعزيز استعداد الموظفين في الجامعة الإسلامية العالمية بماليزيا فضلا عن استخدامها كإطار عام في إعداد التدخل من أجل تعزيز استعداد الموظفين العاملين للتغيير في مؤسسة التعليم العالي.

## **APPROVAL PAGE**

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## DECLARATION

I hereby declare that this dissertation is the result of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at IIUM or other institutions.

Amy Mardhatillah

Signature .....

Date.....

**INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA**

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TO CHANGE AT INTERNATIONAL ISLAMIC UNIVERSITY  
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*This Dissertation is dedicated to:*

*My lovely Papa and Mama, who always loving me and mentioning my name in every  
prayer*

*dr. Salman Syam and Asmayetty*

*My dearest husband, who cheer my life with his love and endless support*

*Dr.Ronald Rulindo*

*My darling princess, who complete my life*

*Alia Athaya Rulindova*

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# **CHAPTER ONE**

## **INTRODUCTION**

The topic on readiness to change in other words, the willingness of employees to accept change initiative has been discussed in organizational and management studies. The present study analyzes readiness to change among employees at an Islamic higher learning institution. This chapter provides a general overview on this study. It discusses the importance of employees' readiness to change, description on psychosocial predictors of employees' readiness to change and the reason why there is a need to investigate their readiness to change in different settings. The discussion on the background of the study is followed by the statement of the problem, research questions, research objectives, significance of the study as well as the definitions of terms utilized in this study.

### **1.1 BACKGROUND OF THE STUDY**

Organizational change is an important phenomenon. It is unavoidable due to the presence of new technologies, regulatory requirements and globalization, along with the need to keep up with economic growth (Bernerd, 2004; Eby, Adams, Russel & Gaby, 2000; Wanberg & Banas, 2000). This is the reason for many organizations nowadays are pursuing organizational change. (Cummings & Worley, 2005; Eby et al., 2000; Oreg, 2006; Haque, 2008; Ali Shirazi, Saeed Mortazavi, Naser Pourazad, 2011; Nor Shahriza Abdul Karim, Razi, Norshidah Muhammad, 2012).

Realizing the need for organizational change, a number of studies in this area has been undertaken, particularly from the perspective of resistance to change (Oreg, 2006), acceptance and openness to change (Devos & Buelens, 2003) and readiness to

change (Wittention, 2008). Among these perspectives, readiness to change receives greater attention in recent times. Miller and Peter (2006) stated that 70 % of organizations experience failure in implementing organizational change. This failure is due to lack of careful assessment of an organization's readiness to change which depends much on the employees' readiness to change (Madsen, 2003; Barera, 2008; Cuningham, Woodward, Shannon, Macintos, Lendrum, Rosenbloom & Brown, 2002).

Employees' readiness to change include employees' positive feeling toward change initiative (affective readiness), employees' positive thinking toward change initiative (cognitive readiness) and employees' positive attitude and behavior support for change initiative (behavior readiness (Durham, Grube, Gardner, Cummings, Pierce, 1989). Enhancing employee affective, cognitive and behavior readiness to change will minimize the problem with resistance to change (Oreg, 2006). This practice is considered as the most effective intervention for successful organizational change (Cunningham et al., 2002; Haque, 2008).

Several efforts have been made to assess employees' readiness to change. Researchers have examined the predictors of employees' readiness to change based on several theories on employees' readiness to change. One prominent theory in understanding the predictors of employees' readiness to change is by Armenakis, Harris and Massholder (1993). They suggest that, the predictors of employees' readiness to change consist of four dimensions including the content of change, context of change, process of change and individual characteristics of the change agent. Based on this model, some of researchers agree that appropriateness of change, management support and individual change efficacy are the prominent predictors of employees' readiness (Armenakis & Harris, 2002; Holt, Armenakis, Field & Harris, 1999; Szamosi & Duxbury, 2002; elf & Mike, 2007; Clark, 2003).

There were many researches being conducted to study the variables related to employees' readiness to change in various settings such as health care, military, manufacturing, banking as well as higher learning (Rafferty & Simmons, 2006; Holt, 2002; Wittension, 2008). Despite the numerous studies, most of them were conducted in Western settings. Very few studies have been conducted in non-Western settings which organization culture is different from the countries where the previous studies were conducted (Yousef, 2000). Analyzing employees' readiness to change in this setting is very important for the institution to perform better in facing organizational change. A review of the references does not lead to literature which reports any study on employees' readiness to change in non Western settings including higher learning institution. Differences in culture, work setting, demographic factors, life experience as well as job type may lead to different predicting variables related to employees' readiness to change (Madsen, 2003). The present study, therefore, will focus on employees' readiness to change in one of higher learning institution in Malaysia by investigating the predictors of employees' readiness in this setting. This effort hopefully can help the higher learning institution to experience successful organizational change programmes.

## **1.2 STATEMENT OF THE PROBLEM**

A number of studies have identified predictors of employees' readiness to change (Armenakis, 1993; Armenakis, 1999; Holt, 2002; Clark, 2003; Haque, 2008). Most of these studies agreed that appropriateness of change, management support and change efficacy are the prominent indicators in predicting employees' readiness to change. However, there are studies which indicate different findings, such as the studies by Rafferty and Simon (2006), Wanberg and Banas (2000), Szamosi and Duxbury

(2002), Holt (2007) who have found that some of those variables are not able to predict readiness to change. These show inconsistent findings on the variables which could serve as predictors of readiness to change, necessitating a question on what predictors that can really predict employees' readiness to change.

Although a number of studies have identified the predictors of readiness to change, many organizations still experience failure in implementing organizational change (Miller & Peter 2006). This suggests that the findings do not assist in helping organization to have successful process of implementing change. In this regard, Barera (2008) stated that there is still lack of study that comprehensively examines the predictors of employees' readiness to change, especially on the psychosocial predictors. Past studies focus on macro level analysis of employees' readiness to change such as organizational resources in supporting change (Chonko, Rangarajan, Jones & Robert, 2004; Haque, 2008; Devos & Buelens, 2003; Czajka & Begley, 2003; Cole, Harris & Berneth, 2006). Madsen (2003) also stated that there is a possibility that there are other variables that may influence readiness to change. Schweiger and DeNisi (1991), Mc Crae and Costa (1991), Vakola, Nikolau and Tsauosis (2003), as well as Weber and Weber (2001) recommend different variables, such as spirituality and openness to experience, to predict readiness to change. Despite their recommendation, scarcity of study that looking at the roles of the two variables in predicting readiness to change among employees in organization is exists. This condition may produce other possibilities as to which variables are actually able to predict readiness to change, and whether the two variables are able to predict readiness to change in higher learning institutions, particularly in Malaysia.

Another interesting findings is the relationship between readiness to change with work related attitudes, particularly organizational commitment and job

satisfaction. Studies revealed that organizational commitment (Iverson, 1996; Yousef,2000) and job satisfaction (Barrera, 2008; Squillaci, 2007) are also predictive of employees' readiness to change. Nevertheless, both variables are not within the four domains of predictors of readiness to change as suggested by Holt (2007). All of the predictors within the four domains are positively associated with organizational commitment and job satisfaction (Holt, 2002; Clark, 2003). These circumstances trigger additional question on whether there is a possibility that organizational commitment and job satisfaction could strengthen the relationship between the predictors of readiness to change and readiness to change. An assessment of the literature on readiness to change indicated that only few studies have analyzed the mediating effect of organizational commitment and job satisfaction within this context such as study by Yousef (2000). Nevertheless, the study only examined the mediating effect of selected variables. Therefore, further empirical evidence is needed to confirm that these variables may also serve as mediating variables on the relationship between the predictors of readiness to change with employees' readiness to change.

As highlighted above, there are only few researches that have conducted thorough study on organizational change in higher learning institutions. Most of the studies report the progress of change rather than analyze employees' readiness to change (Azahari, 2011; Deem, Mok, & Lucas, 2008; Hena Mukherjee & Poh Kam Wong, n.d). Studies that analyze readiness to change, unfortunately, only focus on the influence of selected variables on readiness to change, and do not comprehensively investigate predictors of readiness to change within this context (Norsidah, 2008).

Very few studies have been conducted to examine the role of individual spirituality in enhancing employee readiness to change including in the context of Islamic higher learning institution. One of the Islamic higher learning institution,

which has introduced change in its establishment, is the International Islamic University Malaysia (IIUM). This institution has planned to position itself as a premier global Islamic university which is characterized by the presence of a workforce whose spirituality serves as one of the predictors of organization success. Thus far, there is no information on whether there is a different level of readiness between academic and non-academic staff in this institution. In order to implement a smooth process of change, it is important to know the level of readiness among its employees as addressed by Madsen (2003) who notes that different job types may also influence the level of readiness to change. Comparing level of readiness based on job type is as important as analyzing the influence of demographic variables on employees' readiness to change. It has been found that there are inconsistent findings on relationship between demographic variables and job type with readiness to change. Several studies found differences in terms of employees' readiness to change across demographic variables (Naimatullah & Ghulam, 2010) while other studies found no difference at all (Wittensein, 2008). This inconsistency, therefore, needs to be assessed in the context of an Islamic higher learning institution which is undergoing change process. Insights gained from such study would be useful in assisting the institution to transform into a better one.

Islam acknowledges the importance of change. As stated in *Quranic* verse *Al-Anfal* 53:

ذَلِكَ بِأَنَّ اللَّهَ لَمْ يَكُ مُغَيِّرًا نِعْمَةً أَنْعَمَهَا عَلَى قَوْمٍ حَتَّى يُغَيِّرُوا مَا  
 بِأَنْفُسِهِمْ وَأَنَّ اللَّهَ سَمِيعٌ عَلِيمٌ

“that is because Allah would not change a favor which He had bestowed upon a people until they change what is within themselves, and indeed, Allah is Hearing and knowing”. Similarly Quranic verse *Ar-Rad* 11:

لَهُ، مَعْقِبَتٌ مِّنْ بَيْنِ يَدَيْهِ وَمِنْ خَلْفِهِ يَحْفَظُونَهُ، مِنْ أَمْرِ اللَّهِ إِنَّ اللَّهَ  
 لَا يُغَيِّرُ مَا بِقَوْمٍ حَتَّىٰ يُغَيِّرُوا مَا بِأَنْفُسِهِمْ ۗ وَإِذَا أَرَادَ اللَّهُ بِقَوْمٍ سُوءًا فَلَا  
 مَرَدَّ لَهُ، وَمَا لَهُمْ مِنْ دُونِهِ مِنْ وَالٍ ﴿١١﴾

This Quran verse also emphasized on the importance of individual making change for good things. These two verses indicated that individual has an important role in making change happen. However, not every individual realize that making change is important and necessary. It is very important to encourage individual to make change for a good thing by creating readiness to change among individual. Therefore, the present study has attempted to comprehensively examine the role of several variables in predicting employees' readiness to change.

### 1.3 RESEARCH QUESTIONS

In view of the above discussion, this study comes up with four research questions. The research questions are:

1. What is the relationship between selected identified psychosocial predictors of employees' readiness to change with employees' readiness to change at IIUM? (The former include appropriateness of change, management support, change efficacy, individual spirituality and openness to experience and the latter refers to employees' readiness to change at IIUM).
2. What are the roles of job satisfaction in mediating the relationship between the psychosocial predictors with employees' readiness to change at IIUM?

3. What are the roles of organizational commitment in mediating the relationship between the psychosocial predictors with employees' readiness to change at IIUM?
4. To what extent employee of different demographic variables differ in term of their readiness to change?

#### **1.4 RESEARCH OBJECTIVES**

Based on the above questions, this study has four major objectives. The objectives are the following:

1. To examine the role of appropriateness of change, management support, individual change efficacy, individual spirituality and openness to experience as the psychosocial predictors of employees' readiness to change
2. To investigate the role of job satisfaction in mediating the relationship between appropriateness of change, management support, individual change efficacy, individual spirituality and openness to experience with employees' readiness to change
3. To investigate the role of organizational commitment in mediating the relationship between appropriateness of change, management support, individual change efficacy, individual spirituality and openness to experience with employees' readiness to change
4. To compare the differences in term of employees' readiness to change across different demographic variables in an Islamic institution.