



RELATIONSHIP BETWEEN ORGANISATIONAL
COMMITMENT, LOCUS OF CONTROL AND
READINESS TO CHANGE AMONG NURSES

BY

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requirements for the degree of Master of Human
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ABSTRACT

The purpose of the present study was to investigate the relationship between organisational commitment and readiness to change. The role of internal locus of control as the moderator variable on the relationship between organisational commitment and readiness to change was also investigated. 120 nurses in Ampang Puteri Hospital were used for the sample of the study. The descriptive analysis, hierarchical multiple regression analysis as well as t-test and analysis of variance were used to test the hypotheses and exploratory analysis. The results indicated that organisational commitment significantly correlated and predicted readiness to change. In addition to that internal locus of control did not act as a moderator in the relationship between organisational commitment and readiness to change. The comparison study mostly showed that there were no differences among demographic variables. However, only length of service was illustrated differently in affective commitment.

ملخص البحث

الهدف من هذه الدراسة الحالية هو التحري عن العلاقة بين الإلتزام التنظيمي والإستعداد للتغيير. ولقد فحصنا دور موضع السيطرة الداخلي كمتغير وسيط على العلاقة بين الإلتزام التنظيمي والإستعداد للتغيير، استعنا ب 120 ممرضة من مستشفى أمبانج بوتري كنموذج في هذه الدراسة. واستخدم التحليل الوصفي البياني وتحليل الإنحدار الهرمي المتعدد وكذلك (t-test) وتحليل التباين لإختبار الفرضيات والتحليل الإستكشافية. وأوضحت النتائج إن الإلتزام المنتظم مترابط بشكل كبير ويؤدى إلى استعداد للتغيير. بالإضافة إلى ذلك فإن موضع السيطرة الداخلي لم يتصرف كمتغير وسيط فى العلاقة بين الإلتزام المنتظم والإستعداد للتغيير. كما أظهرت دراسة متطابقة أنه فى الغالب لا توجد خلافا فى المتغيرات الديموقراطية. لكن على أى حال فإن طول مدة الخدمة أوضح مدى الاختلاف فى الإلتزام المؤثر.

مفتاح البحث: الإلتزام التنظيمي، موضع السيطرة الداخلي، الاستعداد للتغيير.

APPROVAL PAGE

I certify that I have supervised and read this study and that in my opinion it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a dissertation for the degree of Master of Human Sciences (Psychology)

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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.

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This thesis is dedicated to:

My dearest parents,

Hasan Basry A. Thaleb & Chairul Husna Ahmad

My dearest sister and brothers,

Rina Andriana, Indra Heriansyah, Ivan Febriza, & Fahmy

and My dearest husband,

Furqaan Hidayat

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The increasing pace of global, economic and technological development makes change an inevitable feature of organisational life (Cummings & Worley, 2008). Organisations continually make structural, process, and product adjustments in response to shifts in the social and political environments, the availability of funding and resources, the broad trends in technology, and the wishes of key stakeholders (Holt, 2002). Boonstra (2004) defines change as “aimed at enabling organisations to be effective in their relations with their environment, and to contribute to the quality of work life”.

Organisational change causes individuals to experience a reaction process (1999, Kyle, as cited in Sharma). Researchers have therefore, identified various employees’ responses to an organisation changing from strong positive attitudes to strong negative attitudes (Piderit, 2000). Change can be received with excitement and happiness or anger and fear while employees’ response to it can be from positive intentions to support the change to negative intentions to oppose it. Cummings and Worley (2008) called this concept as “readiness for change and resistance to change on behalf of leading and managing change”. Readiness to change is positive attitude towards change. On the contrary resistance to change is neglecting to change.

Readiness to change was introduced by Miller and Chen (1994) and defined as “support for change and positive affect about the potential consequences of change”. Furthermore, Holt (2002) defined readiness to change as “a comprehensive attitude

that is influenced simultaneously by the content (i.e. what is being changed), the process (i.e. how the change is being implemented), the context (i.e. circumstances under which the change is occurring), and the individuals (i.e. characteristics of those being asked to change) that collectively reflect the extent to which an individual or a collection of individuals is cognitively and emotionally inclined to accept, embrace and adopt, a particular plan to purposefully alter the status quo". In contrast, resistance to change was described by Harvey and Brown (2001) as "the forces restraining change". They also mentioned these forces include uncertainty regarding change, which can be fear of the unknown and disruption of routine, loss of existing benefits, threat to position and power and conformity to norms and culture.

Readiness to change was found to be vital in achieving organisational goals and in succeeding in change programmes (Eby, Adams, Russell, & Gaby, 2000). Although change management literature has provided practice with frameworks and methodologies to understand and manage change, the results are quite unsatisfactory (Vakola & Nikolaou, 2005). The fact remained, as described by Beer and Nohria (2000), that 70% of all change initiatives fail. The number one reason why organisation change initiatives fail is resistance to change (Deloitte & Touche, 1996), which is closely linked with the development of negative attitudes to change.

Because of the strength of reactions attached to organisational change, researchers of change have begun to consider organisational commitment undercurrents of change. According to Meyer and Allen (1997), organisational commitment is a multidimensional construct comprising three components: affective, continuance and normative. They defined organisational commitment as an attitude or an orientation that links the identity of the person to the organisation, a process by which the goals of the organisation and those of the individual become congruent, an

involvement with a particular organisation, the perceived rewards associated with continued participation in an organisation, the cost associated with leaving, and normative pressures to act in a way that meets organisational goals.

Many authors indicated that organisational commitment plays an important role in employee's acceptance of change (Yousef, 2000). Iverson (1996) suggested organisational commitment is the second most important determinant after union membership of attitudes toward organisational change. But other researchers indicated that a highly committed employee may resist to changes if he perceives it as a threat to his own benefit (Vakola & Nikolaou, 2005). Thus, the first objective of this paper is to study the relationship of organisational commitment and readiness to change.

There is also evidence in the change management literature identifying the role of locus of control in a change context. According to Judge, Thoresen, Pucik and Welbourne (1999), personality variables have also been researched as to their effect on coping with change. They argued that success of change efforts lies in the abilities and motivation of the individuals within the organisation, helping them to cope adequately with the change process. Moreover, Judge et al. (1999) argued that individually different variables such as locus of control, positive affectivity, openness to experience and tolerance for ambiguity play important roles in employees' work attitudes (for example, organisational commitment, satisfaction, etc.), as well as predicting self and supervisory assessments of coping with change.

Locus of control describes the extent to which people believe that they influence events in their lives. Those with an internal locus of control perceive that they can manage situations with their decisions and behaviours whilst those with an external locus of control believe that what happens to them is beyond their influence, a result of luck or fate (Rotter, 1966). Substantial empirical work hallmarks the

importance of this personality characteristic in explaining successful implementation of organisational change (Devos & Bouckenoghe, 2006).

Mack, Nelson and Campbell-Quick (1998) stated that there are a number of moderators that have an impact on the perception of change event. Apart from organisational commitment, personality dimensions such as locus of control or A/B personality have been identified as moderators (Mack et al., 1998). These moderators affect the individual's ability to cope with the change event, the individual's ability to cope with sources and outcomes of stress and the individual's perception of the change event. Therefore, the second objective of the present study is to look at the moderating effect of locus of control on the relationship between organisational commitment and readiness to change.

Recently, readiness to change has been studied in several areas including health care. Health care is a dynamic and complex industry undergoing fundamental structural change (2008, Massarik, as cited in Cummings & Worley). The health care system is particularly susceptible to a growing need for change, with new medical technology constantly being introduced, increasingly demanding customers/patients, shortages of key professionals, greater regulatory burden, new types of competition, growing financial pressures, and changes in the fundamental science underlying the practice of medicine (Wittenstein, 2008). But changes in the health care industry, particularly in hospitals, have often been unsuccessful (Bigelow & Arndt, 2005). This is particularly striking considering that hospitals have spent the better part of the last two decades attempting to re-engineer, total quality management, six sigma, cost accounting, and service line reorganisation (Arndt & Bigelow, 1998), all in an effort to reduce costs, become more business-like, and improve patient care (Bigelow & Arndt, 2000). Moreover, Wittenstein (2008) found a significant correlation between

professional nursing practice (autonomy and control over nursing practice) and individual readiness for change. Therefore, this study will focus on the readiness to change among nurses.

1.2 STATEMENT OF THE PROBLEM

One factor that appears to be constant in organisations today is change (Mossholder, Settoon, Armenakis & Harris 2000). As organisations try to survive and remain competitive, they are reorganising, re-engineering, downsizing, and implementing new technology (Vakola, Tsaousis, & Nikolaou, 2003). In other words, they are constantly trying to change.

A key component of an organisation's ability to successfully change appears to be the readiness of individual members of the organisation to change (Armenakis & Harris, 2002). By creating change readiness before attempts at organisational renewal begin, the need for later action to cope with resistance may be largely avoided (Smith, 2005). Spector (1989) found in his study that one main reason for failures for organisational change is the fact that the organisational members were not ready. If that is true, delineating the variables that increase individual readiness to change and identifying means of influencing them are paramount if change is to be successful.

Judge et al. (1999) argued that organisational change research has been dominated largely by a macro system-oriented focus and that a limited number of studies on organisational change has taken a micro-level, psychological approach. Therefore, assessing the impact of psychological approach such as organisational commitment and locus of control on readiness to change, which most likely affect the successful organisational change programme, is needed.

The purpose of this research is to examine the relationship between organisational commitment, locus of control and readiness to change. Specifically, the present research will try to examine the relationship between organisational commitment and readiness to change, and to examine the moderating effect of locus of control on the relationship between organisational commitment and readiness to change.

Furthermore, the present research will be able to show whether relationship between organisational commitment, locus of control and readiness to change that have been found in the West is similar in the Malaysian context.

1.3 JUSTIFICATION OF THE RESEARCH

This study attempts to look at the relationship between organisational commitment, locus of control and readiness to change among nurses in Malaysia based on several justifications:

First, the present study will contribute to the knowledge in this area by adding literature on relationship between organisational commitment and readiness to change. Currently, inconsistent results are shown from previous studies.

Second, to the knowledge of the researcher no studies have examined the link between organisational commitment and readiness to change among nurses in the Malaysian context. Thus, this study will explore whether similar patterns are observed among nurses in this country.

Third, this study aims to identify the extent to which locus of control moderates the relationship between organisational commitment and readiness to change. Thus, this study will add to the literature by providing more insights into the relationship amongst these variables.

Finally, it is hoped that the findings of this study will suggest a few concrete actions that can be taken by the government or private organisations to enhance their management quality in the context organisational change and development programmes.

1.4 RESEARCH OBJECTIVES

This research has come up with two research objectives. They are:

1. To find out the relationship between organisational commitment and readiness to change among nurses.
2. To find out the moderating effect of locus of control on relationship between organisational commitment and readiness to change.

1.5 RESEARCH QUESTIONS

The present study tries to address two research questions:

1. Is there any relationship between organisational commitment and readiness to change among nurses?
2. Is locus of control moderating the relationship between organisational commitment and readiness to change among nurses?

1.6 DEFINITION OF STUDY VARIABLES

Readiness to Change

- 1) Conceptual definition: A comprehensive attitude that is influenced simultaneously by the content, the process, the context, and the individuals involved that collectively reflect the extent to which an individual or a collection of individuals is cognitively and emotionally inclined to accept,

embrace and adopt, a particular plan to purposefully alter the status quo (Holt, 2002).

- 2) Operational definition: Readiness to change will be measured using Readiness for Organisational Change Scale by Holt (2002).

Organisational Commitment

- 1) Conceptual definition: An attitude or an orientation that links the identity of the person to the organisation, a process by which the goals of the organisation and those of the individual become congruent, an involvement with a particular organisation, the perceived rewards associated with continued participation in an organisation, the cost associated with leaving, and normative pressures to act in a way that meets organisational goals (Meyer & Allen, 1997).
- 2) Operational definition: Organisational commitment will be measured using Affective, Continuance and Normative Commitment Scale by Meyer and Allen (1997).

Locus of Control

- 1) Conceptual definition: The degree to which people believe that they influence events in their lives (Rotter, 1966).
- 2) Operational definition: Locus of control will be measured using Work Locus of Control Scale by Spector (1988).

CHAPTER TWO

LITERATURE REVIEW

2.1 READINESS TO CHANGE

Historically, the idea of readiness is discussed within the context of managers' efforts to avoid or overcome employees' resistance to change (Holt, Armenakis, Harris & Feild, 2007). The idea that managers could avoid employees' resistance to change (hence, create readiness) might have been first suggested in the seminal work of Coch and French (as cited in Holt et al., 2007). In more recent literature, readiness has emerged as a construct that is distinct from resistance (e.g. Armenakis, Harris, & Mossholder, 1993). In the education literature, Clarke, Ellett, Bateman, and Rugutt (1996) explicitly distinguish readiness from resistance. They posit that individuals' receptivity to change, a concept synonymous to readiness, should be viewed as one's internal attitudes that precede the behaviours that one takes when adopting or resisting change. They describe resistance, on the other hand, as external behaviours or actions taken to stop, delay, or otherwise undermine the successful implementation of an organisational change. This has reinforced the notion that readiness is a concept distinct from resistance and should be conceptualized as the precursor to behaviours that are associated with adoption or resistance (Armenakis et al., 1993; Eby et al., 2000).

Creating readiness is the proactive attempt by change agents to influence the beliefs, attitudes, and behaviours of change targets in order to motivate them to change (Anderson, 2002). Creating readiness is akin to Lewin's concept of the unfreezing stage of change (Armenakis et al., 1993; Beer & Walton, 1987). Lewin

(1947) asserts that change happens when those forces restraining change are reduced rather than when those forces driving change are increased. Lewin (1947) believes that a successful change includes three aspects: unfreezing the present level, moving to the new level, and freezing group life on the new level. Based on his model, unfreezing is a stage where a person feeling a discomfort with the old behaviour find the need for change as the key incentive in this step.

For Lewin (1947), human behaviour is stabilized as a result of a quasi-stationary equilibrium which is supported by the driving and restraining forces. This equilibrium is important; in order for change to occur, it has to be altered and destabilized under complex psychological conditions. That is, strengthening driving forces only to achieve change is not a good idea as this approach creates an instant counterforce to maintain the equilibrium. In other words, assuming that driving forces already exist in the system, only clearing the restraining forces from the system would be enough to move equilibrium. A force to break the habit, to unfreeze the custom, would be sufficient to overcome the inner resistance to change. The environmental context supporting employee's current behaviours might be rearranged to make that employee ready to change and willing to take the first step.

Cherrington (1994) also mentions Kurt Lewins' force field analysis theory. He mentions that for every change process that takes place, there are driving forces as well as restraining forces. The force field analysis is a method for evaluating, measuring, and discussing the forces that act with or against the change process. The driving forces are those that help achieve the proposed change while the restraining forces are those that work against the change process. Thus, it appears that individual change readiness is central to the effort of making organisational change.

Furthermore, successful implementation of organisational change generally proceeds through three stages: readiness, adoption, and institutionalization (Armenakis & Harris, 2002). Readiness occurs when the environment, structure, and organisational members' attitudes are such that employees are receptive to a forthcoming change. Adoption occurs when organisational members temporarily alter their attitudes and behaviours to conform to the expectations of the change. Institutionalization occurs when the change becomes a stable part of employees' behaviour.

The breadth of existing readiness instruments' content suggests that the concept of readiness has yet to be defined clearly. Readiness has been defined simply as the extent to which individuals are prepared to participate in organisational development activities (Huy, 1999). Readiness has been defined in terms of the social, technological, and systemic ability of an organisation to try new things and change (Beer, 1987). Armenakis et al. (1993) suggest that readiness is manifested in organisational members' beliefs that the proposed change is needed and that the organisation is capable of changing. Later, Armenakis, Harris and Feild (1999) expand this definition to include employees' beliefs regarding the appropriateness of, support for, and value of the change.

The literature reveals various factors that contribute to readiness such as the attributes of the change agents and interpersonal dynamics (Armenakis et al., 1993). The attributes of the change agent influence an individual's readiness because, according to Armenakis et al. (1993), the implementers of change should be considered as credible, trustworthy, and sincere in order to win the support of the targets. Interpersonal dynamics can also play a significant role as an individual's readiness may influence others.

Although an employee's perceived readiness for change is an intuitively appealing construct, little empirical research has focused on this phenomenon (Eby et al., 2000). Organisational change theories have historically focused on the macro level of analysis, that is on characteristics of the organisation that are important to change such as leadership, culture and the environment. Yet these descriptions of change and the concurrent models that are built from them leave out the role of the individual in the organisation, even though many empirical studies have shown individuals and their behaviours to be critical to the success of change efforts (Wittenstein, 2008). Similarly, Anderson (2002) reviewing organisational change literature, which includes the readiness literature, notes that most studies take a top-level prescriptive approach in the sense that they outline what managers should do to create readiness. A Few studies ask the individual employees about their views on what creates their readiness for organisational changes. Therefore, the present study considers the micro level of analysis that is on employee readiness for organisational change.

2.2 ORGANISATIONAL COMMITMENT AND READINESS TO CHANGE

Organisational commitment is considered to be a bond or link between the individual to his or her organisation (Mathieu & Zajac, 1990; Meyer, Allen, & Smith, 1993). It is of substantial interest to organisations because it has been linked to a number of desirable outcomes such as job performance, decreased turnover, decreased intention to leave, lower absenteeism (Mathieu & Zajac, 1990; Jaros, 1997), and lower stress levels (Begley & Czajka, 1993). Likewise, the level of organisational commitment has been found to positively influence job performance (Yousef, 2000) and negatively influence job stress (Sager, 1990).