Is Workplace Well-Being important to Individual Readiness for Change?

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Abstract

The issue of well-being, whether it is workplace well-being or psychological well-being was often discussed recently. The awareness that employee needs to have high well-being in order to produce high performance as well as organizational effectiveness lead many researchers to study about employee well-being. On the other hand, the issue of organizational change is also important to be discussed as organizations need to change in order to survive and compete in this challenging world. In this regard, in order to have a successful organizational change, the employees who worked there needs to be ready. The question arises what is the role of workplace well-being to Individual Readiness for Change? This research was conducted at one of State owned Bank comprises 568 respondents. The study used six variables namely Psychological Capital, Organizational Commitment, Job Satisfaction, Employee Engagement, Organizational Citizenship Behavior and Workplace Well-Being in terms of correlation with Individual Readiness for Change. The study showed that Psychological Capital, Organizational Commitment, Job Satisfaction and Employee Engagement were positive and significantly correlated with Individual Readiness for Change; however Organizational Citizenship Behavior and Workplace Well-Being were not significantly correlated with Individual Readiness for Change. The result is rather contradictory as it showed that Job Satisfaction was positively correlated with Individual Readiness for Change, but not significantly correlated with Workplace Well-being. It can be concluded that although well-being is important but it is not enough to increase the Individual Readiness for Change of the employees.

Keywords: Individual Readiness for Change, Workplace Well-being, Job Satisfaction, Psychological Capital, Organizational Commitment, Employee Engagement, Organizational Citizenship Behavior.

1. Introduction

Organizations need and have to change. However, not every organizational change program was succeeded, and according to previous studies there are up to 75% of
organizational change programs were failed (Cartwright & Cooper, 1993). There are many factors that will contribute for the success of organizational change, and one of the important factor, is People. In this regard, people should be ready for organizational change. On the other hand, people are also influenced by many variables such as their perceptions about Job Satisfaction and Workplace Well-being, and also were influenced by their individual characteristic, such as Psychological Capital, Employee Engagement, Organizational Commitment, and Organizational Citizenship Behavior. The objective of this study is to find out what variables in terms of individual characteristics and their feelings and perceptions about organization in relation with Individual Readiness for Change.

2. Literature Review

2.1. Individual Readiness for Change (IRFC)

2.1.1. Definition IRFC

There are many definitions of Individual Readiness for Change, and one of them is the definition by Hanpachern (1997), which defines as mental attitude of the individual before acting when facing with the change process (either accepting or adopting the organization change).

2.1.2. Dimensions of IRFC

Hanpachern (1997) mentions that there are 3 dimensions of Individual Readiness for Change namely: Resisting, Participating, and Promoting. Resisting is the negative attitude of the individual toward change. Participating is the individual participation in the change process. Promoting is about how far a person would like to implement the change process.

2.2. Psychological Capital

Luthans, Youssef, & Avolio (2007a, 2007b) define Psychological Capital as psychological states that develop from hope, self-efficacy, resilience and optimism. The followings are the details of the dimensions of Psychological Capital as follows:
a) Hope, is persevering toward goals, and when necessary, redirecting paths to goals in order to succeed.
b) Self-efficacy, is having confidence to take on and put in the necessary effort to succeed at challenging tasks (self-efficacy).
c) Resilience is the attitude of adversity when facing by problems, followed by sustaining and bouncing back and even beyond to attain success.
d) Optimism is making a positive attribution about succeeding now and in the future.

2.3. Organizational Commitment

Organizational commitment is an individual’s way of thinking of how much of his/her value and goals are in line with the organization, how to overcome the conflicts, and attachment to the organization. Furthermore, Meyer and Allen (1997) state that there are three dimension of organizational commitment, namely: a) Affective commitment is defined as the employee's positive emotional attachment to the organization. An employee who is affectively committed strongly identifies with the goals of the organization and desires to remain a part of the organization. b) Continuance commitment is when a member of an organization commits to the organization because he/she perceives high costs of losing organizational membership. c) Normative commitment is when a member of an organization commits to and remains with an organization because of feelings of obligation. (Meyer & Allen, 1997).

2.4. Job Satisfaction

Spector (1997) defines job satisfaction as the degree of how the individual perceived the jobs and organizational environments in relation with other people in the job and reward that they receive. According to Spector (1997) there are two dimensions of Job Satisfaction, namely external factors and individual factors. Each of the dimensions consists of many variables as follows:
1. External Factors, consists of Job Characteristic; Organizational Constraints; Role Variables; Work-Family Conflict, Pay, Job Stress; Workload; Control, Work Schedules; Supervisory; colleagues, and Working Environment.
2. Individual Factors consist of gender, age, tenure, work position; and position level.

However, in this study the researcher measures job satisfaction as general overview about people’s satisfaction in the job.

2.5. Employee Engagement
Federman (2009) defines employee engagement as “The degree to which people commit to an organization and the impact that commitment has on how profoundly they perform and their length of tenure” (Federman, 2009). Employee Engagement consists of three dimensions, namely Vigor, Dedication, and Absorption (Schaufeli and Bakker 2004), as follows:

1. Vigor is defined by the level of energy and high mental attitude when individual finish their jobs, the willingness to put spirit in their jobs, as well as persistent when facing with the difficulties and challenges at work (Schaufeli and Bakker, 2004).
2. Dedication is the strong identification with the jobs, including feelings as well as enthusiasm, inspiration, pride, and challenges.
3. Absorption can be described as full concentration of happy feelings, that felt by the person who is doing their jobs, when he/she felt that time goes by so quickly and is difficult to leave the jobs.

2.6. Organizational Citizenship Behavior (OCB)
Organizational Citizenship Behavior is defined as individual behavior that is discretionary, not directly or explicitly recognize by the formal reward system, and that in the aggregate promotes the effective functioning of the organization (Organ etal,2006).
Based on the reviewing theory of Organizational Citizenship Behavior, there are 7 dimensions of OCB (Organ et al., 2006) as follows:

1. Altruism towards colleagues: voluntarily act of helping other employees (such as: colleagues, clients, supervisor, subordinate) in workplace

2. Identification with organization: voluntarily act that indicates an employee cares about and/or involved directly with matters that are related with the organization, such as: attending socialization for new policy, reading the notification or newest information from the organization, promoting the organization to other people, giving suggestion for organization’s development, etc.

3. Protecting company’s resources: includes behaviors that saving the company’s resources, using own resources to help the organization and protecting the organization from accident (such as: flood or fire).

4. Interpersonal harmony: employees’ behavior whose purpose is to facilitate and keeping a harmony in the work place.

5. Self-training: voluntarily act of employee whose purpose is to increase skills and knowledge to do their works.

6. Taking initiatives: voluntarily act that shows taking responsibilities or extra work, such as: voluntarily work exceeding the work hour, doing extra work, and sharing relevant information about work with.

7. Sportsmanship: voluntarily act that shows someone is tolerating to accept and/or not whine about the condition in the organization that is perceived as less ideal).

2.7. Workplace Well-Being

Well-being is about quality of one’s life guided by a person’s own set of criteria. Well-being includes factors related to one’s job (i.e. work overload, long hours and travel), ones role in the organization (i.e. role ambiguity, role conflict, and the degree of responsibility), ones relationships at work, one’s career development and the organizational structure and climate the person is part of (Cooper & Cartwright 1993, p.265). There are many definitions and understanding about well-being, in this study...
the researcher will use the definition by Page (2005, p.3; 2009) as follows: The sense of well-being that employees gain from their work. It is conceptualised as core affect plus the satisfaction of intrinsic and/or extrinsic work values.

3. Methods & Measures

3.1. Research Questions
Research Questions for this study are as follows:

a) What are the variables that contribute to Individual Readiness for Change?
b) Is Workplace Well-Being contributes to IRFC?

3.2. Objectives of the study
The objectives of the study are as follows:

a) To identify which variable that contribute more to IRFC
b) To identify whether Well-Being is one of the variable that contributes to IRFC.

3.3. Sample & Sampling
Sample was collected from financial company (state owned bank) in Indonesia, consists of 568 respondents, using convenience types of sampling.

3.4. Tools of data Collection
This study was using 7 types of Scale inventories, namely: Individual Readiness for Change, OCB, Job satisfaction, Workplace Well-being, Employee Engagement, Psychological Capital, and Organizational Commitment. These scales have been tested its reliability and validity. The details of the inventories are mentioned in Table 1 as follows.
Table 1: Reliability of Measurement

<table>
<thead>
<tr>
<th>No</th>
<th>Name of the Scale</th>
<th>Total Items</th>
<th>Reliability</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Organizational Commitment</td>
<td>9</td>
<td>$\alpha = 0.83^{**}$</td>
<td>The scale is constructed from Meyer and Allen (1997) consists of 9 items with 3 dimensions of organizational commitment, affective commitment, continuance commitment, and normative commitment. The validity index is 0.951 with $p &lt; 0.01$.</td>
</tr>
<tr>
<td>2.</td>
<td>Employee Engagement</td>
<td>12</td>
<td>$\alpha = 0.751^{**}$</td>
<td>The scale is developed by Schaufeli (Schaufeli &amp; Bakker, 2003, 2004), consists of 3 dimensions Vigor, Dedication, and Absorption.</td>
</tr>
<tr>
<td>3.</td>
<td>Psychological Capital</td>
<td>12</td>
<td>$\alpha = 0.825^{*}$</td>
<td>The scale is developed from Luthans consist of 4 dimensions: Hopes, Expectations, Resilience and Optimism.</td>
</tr>
<tr>
<td>4.</td>
<td>Organizational Citizenship Behavior</td>
<td>21</td>
<td>$\alpha = 0.776^{*}$</td>
<td>The scale is developed by Mangundjaya et al. (2011), consist of 7 dimensions.</td>
</tr>
<tr>
<td>5.</td>
<td>Job Satisfaction</td>
<td>8</td>
<td>$\alpha = 0.817^{*}$</td>
<td>Developed from Michigan Organizational Assessment Questionnaire (MOAQ) (Cammann et al., 1979 in Spector, 1997), originally 3 items and modified to 8 items.</td>
</tr>
<tr>
<td>6.</td>
<td>Workplace Well-Being</td>
<td>28</td>
<td>$\alpha = 0911^{*}$</td>
<td>Developed from Page (2005), and modified by Mangundjaya consist of 2 dimensions.</td>
</tr>
<tr>
<td>7.</td>
<td>Individual Readiness for Change</td>
<td>12</td>
<td>$\alpha = 0.912^{*}$</td>
<td>Constructed and Modified from the Individual Readiness for Change scale developed by Hanpachern (1997). Consists of three dimensions as follows resisting, participating, and promoting.</td>
</tr>
</tbody>
</table>

Notes = *: significant at $p<0.05$, and **: significant at $p<0.01$.

3.5. **Data Analysis**

Using Multiple Regression, Person Correlation and descriptive Analysis.
4. Results

The results will be discussed through the correlation and regression between variables, as shown in Table 2.

Table 2: Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>r, R</th>
<th>R²</th>
<th>Sign.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Commitment and IRFC</td>
<td>.235</td>
<td>.055</td>
<td>.000*</td>
</tr>
<tr>
<td>Employee Engagement and IRFC</td>
<td>.102</td>
<td>.010</td>
<td>.015*</td>
</tr>
<tr>
<td>Psychological Capital and IRFC</td>
<td>.326</td>
<td>.106</td>
<td>.000*</td>
</tr>
<tr>
<td>OCB and IRFC</td>
<td>.016</td>
<td>.000</td>
<td>.713</td>
</tr>
<tr>
<td>Job Satisfaction and IRFC</td>
<td>-.109</td>
<td>.012</td>
<td>.010*</td>
</tr>
<tr>
<td>Workplace Well-Being</td>
<td>.018</td>
<td>.000</td>
<td>.675</td>
</tr>
<tr>
<td>Organizational Commitment, Employee Engagement, Psychological Capital, OCB, Job Satisfaction, Workplace Well-being and IRFC</td>
<td>.514</td>
<td>.264</td>
<td>.000**</td>
</tr>
</tbody>
</table>

Notes = *: significant at p<0.05, and **: significant at p<0.01.

The results showed that six variables (Organizational Commitment, Employee Engagement, Job Satisfaction, Workplace Well-being, OCB, Psychological Capital) together has contributed 26.4% to IRFC, in which 73.6% IRFC was contributed from other factors. Furthermore, although all the results showed that all the six variables have significantly positive correlated with Individual Readiness for Change, however, only three variables namely: Organizational Commitment, Employee Engagement, and Psychological Capital that were positively correlated. The other two variables (Workplace Well-being & Organizational Citizenship Behavior) were not significantly correlated. On the other hand, Job Satisfaction had negative significantly correlated.
6. Discussions

This research showed that there are positive correlations between Organizational Commitment, Employee Engagement, Psychological Capital and Individual Readiness for Change. This finding is partly in-line with other research that shows Commitment, Identification with organization, Loyalty, and Employee Involvement has positively correlated with Individual Readiness for Change (Madsen, 2011). The results from the research was also supported the previous research which shows that there is relationship between individual readiness for change with interpersonal relationship at work, organizational culture, as well as the relationship between management, leader, and employee (Hanpachern, et al. in Madsen 2006). This research also supported the previous findings by Mangundjaya et al. (2011), that shows that Psychological Capital is one of the factor that contribute to the Individual Readiness for Change.

On the other hand, the research showed that both organizational citizenship behavior and workplace well-being were not significantly correlated with Individual readiness for change, this results were not supported from the previous researchs, as the previous research always mentions that both OCB and workplace well-being had positively correlated with positive attitude at work.

7. Conclusions & implications

The study showed that Employee Engagement, Organizational Commitment, and Psychology Capital were positively correlated with Individual Readiness for Change, which in this regard if management would like to achieve high Individual Readiness for Change, then they should develop the Employee Engagement, Organizational Commitment and Psychological Capital of the employees.

The study also reveals that there are no significant correlation between Organizational Citizenship Behavior, and Workplace Well-being with Individual Readiness for
Change. It can be concluded that the conditions of Organizational Citizenship Behavior and Workplace Well-being of the employees will not have any impact (higher or lower) to Individual Readiness for Change. These findings were not supported the previous findings about the role of individual characteristics to individual readiness for change.

On the other hand, there is significant negative correlation between Job Satisfaction and Individual readiness for Change, which can be concluded that the higher Job Satisfaction will be followed with lower Individual Readiness for Change. This findings is quite contradictory with the previous findings, as a result, further study should be done, to get the clearer picture of the correlation.

8. Limitations of the study & further study

The data was collected through self-reports, which might create potential common-method bias, and social desirability effects. This study was conducted at financial state owned enterprises, which might limit generalizability to different types of organizations. Moreover, this study is based on cross-sectional data, thus; no causal relationship should be inferred, in this regard, more longitudinal studies across organizations are needed. Based on those considerations, further study in terms of different types of organizations (private, state-owned, government, and non-government organizations) is needed to achieve a clearer result.

References


