

ANALYSIS THE FACTORS OF EMPLOYEE RESISTANCE ON ORGANIZATIONAL CHANGE AT LOTUS RESORT MOKUPA NORTH SULAWESI

ANALISIS FAKTOR-FAKTOR PENOLAKAN KARYAWAN TERHADAP PERUBAHAN ORGANISASI DI LOTUS RESORT MOKUPA SULAWESI UTARA

by:

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Abstract: In an organization, a change is needed. An organization capable of facing change can be referred to as a developing organization. One of the obstacles in the organization is resistance to change. Resistance in an organization has a negative impact on running the changes, because with resistance attitudes, a person will reject changes and will not experience changes or progress in the organization. In this research, there are 20 variables that defined as factors that influence employee resistance at Lotus Resort. The analysis and discussion from this research there are 13 variables that correlated with the factor that already conducted. The findings from the factoring process there are 3 factors that influence employee resistance at Lotus Resort. First factor is Trust In Management with 9 independent variables (Fear Of Loss Of Job, Uncertainty, Leadership Style, Regulations By Government, Trust In Management, Rumors, Structural Inertia, Decision Making Process and Self Development). Second factor is The Ability Of The Change Agent with 4 independent variables (Time, Ability Of The Change Agent, Organizational Structure and Relationship With The Colleagues). Third factor is Poor Communication with 2 independent variables (Poor Communication and Capability Of Employees). Where the research shows that Trust In Management, Ability Of The Change Agent and Poor Communication are contributing factor in affecting the resistance.

Keywords: *Employee Resistance, Organizational Change, Confirmatory Factor Analysis.*

Abstrak: Dalam organisasi membutuhkan suatu perubahan. Organisasi yang mampu menghadapi perubahan dapat di sebut sebagai organisasi yang berkembang. Hambatan dalam proses perubahan organisasi diantaranya adalah resistensi atau penolakan terhadap perubahan. Resistensi dalam organisasi memiliki dampak negative dalam menjalankan perubahan, karena dengan sikap resistensi, seseorang akan menolak terjadinya suatu perubahan dan tidak akan mengalami perubahan atau perkembangan dalam organisasi. Di dalam penelitian ini, terdapat 20 variabel yang didefinisikan sebagai faktor-faktor yang mempengaruhi resistensi karyawan di Lotus Resort. Analisis dan diskusi dari penelitian ini menunjukkan terdapat 13 variabel yang berkorelasi dengan faktor yang dilakukan. Temuan penelitian dari proses faktorisasi, ada 3 faktor yang mempengaruhi resistensi karyawan di Lotus Resort. Faktor pertama adalah Kepercayaan Dalam Manajemen dengan 9 variabel independen (Ketakutan Kehilangan Pekerjaan, Ketidakpastian, Gaya Kepemimpinan, Peraturan oleh Pemerintah, Kepercayaan Dalam Manajemen, Rumor, Struktural Inersia, Proses Pengambilan Keputusan, and Pengembangan Diri). Faktor kedua adalah Kemampuan Agen Perubahan dengan 4 variabel independen (Waktu, Kemampuan Agen Perubahan, Struktur Organisasi, and Hubungan dengan Kolega). Faktor ketiga adalah Komunikasi yang Buruk dengan 2 variabel independen (Komunikasi yang Buruk and Kemampuan Karyawan). Dimana hasil penelitian menunjukkan bahwa faktor Kepercayaan Dalam Manajemen, Kemampuan Agen Perubahan, Komunikasi yang Buruk merupakan faktor pendukung dalam mempengaruhi Penolakan Karyawan.

Kata Kunci: *Penolakan Karyawan, Perubahan Organisasi, Analisis faktor konfirmatori.*

INTRODUCTION

Change is something that is sure to happen and will happen, and this has been known to humans since the first, thus that humans need to change constantly according to the demands of change itself. The changes in question are changes in behavior, changes in value systems and judgments, changes in methods and ways of working, and changes in thinking and attitude. In other words, humans need to constantly adjust to changes and change demands. Unlike humans, organizations need to adapt to a change. Changes that occur within an organization due to the development in the environment.

The change is an organizational transformation, that the organizational changes caused by internal and external, but in another context of organizational transformation as a form of organizational response to the environment Ross Perot was quoted by Walker (1988) stated that: "slow, gradual, evolutionary change is the same as none at all." Changes that occur can be through evolutionary or revolutionary. Slow, gradual, evolutionary changes are seen as unable to accommodate rapid environmental changes. Thus, evolutionary organizational changes are irrelevant to rapid environmental changes.

A change in organizational transformation poses severe challenges for today's organizations, how organizations can make organizational transformation without causing problems, or painful impacts for members of their organizations or employees. Changes are not always accepted by the employee especially by members affected by the change, in order for the changes to be made to succeed, and not to have a painful effect on the organization's members, the organization should not make changes on an ongoing basis, the organization must know when right to make changes.

In an organization or company there needs to be a human resources department, where Human Resource Management (HRM) is the organizational governance of the organization. The company's human resources department is responsible for creating, implementing and / or supervising policies that govern employee behavior and company behavior towards its employees. The function of an HR professional should focus on the company's greatest resource all - its employees. Without good employees, the best business plans and ideas will fail. A good HR department is essential for an employee-oriented and productive workplace where employees are empowered and engaged.

The human resources department makes the company realize the importance of human capital in terms of the company's economy. Human capital is essential for smaller companies because employees, quite often, perform cross-functional tasks. The HR department teaches organizations how to utilize this human capital as well as non-humans and so forth, the organization, which aims to efficiently utilize their resources and increase profits invites human resource management to formulate the necessary goals and policies.

Resistance as an inhibiting factor in organizations to make changes, because the attitude of resistance is contrary to the theory of change in organizations to lead to the development of the organization. Meanwhile, what is happening right now is the influence of the mindset and level of community satisfaction that will continue to develop, therefore an organization that stands in the midst of the community must keep abreast of consumer needs. Mind-sets or paradigms about change are often more appreciated when they are still in the formulation of strategies, and when the idea is adopted and then implemented, resistance also arises even when the change has just been proposed.

Changes in the business environment are very fast, demanding change from several organizations or companies. One of many companies that going through such as big change in their organizational is Resort Company. Resort is an area of accommodation and entertainment facilities to support tourism activities. Resort also is temporary change of residence for someone that need to get the freshness of body and soul and desire to know something. According to Mill (2002:27), resorts are places where people go for recreation. Every resort has organizational structure. That structure is binding them through the year of their business. Common issue appears as the structure going through some change.

Lotus resort is a new name after the replacement of the previous owner (the previous name is Prime Minahasa Resort). There are several factors that cause the resort to make changes, which are external factors in the form of technological development, economic and internal factors in the form of human resource problems. The change also occurred because the previous resort were not widely known to people and were inadequate to compete with other resorts. Then the change of organization happened, that resulted in the ownership replacement and the resort's name. Behind the change of organization, employees who are currently working in Lotus are resisting for organizational change because they have been comfortable with previous work environment.

THEORETICAL REVIEW**Organizational Change**

Organizational Change is the process in which a company or any organization changes its operational methods, technologies, organizational structure, whole structure, or strategies, as well as what effects these changes have on it.

Employee Resistance

is the employee that resist to organizational change. Resistance is the resultant employee's reaction of opposition to organizational change (Keen, 1981; Folger and Skarlicki 1999). It has been studied as a prime reason why most change does not succeed or get implemented (Egan and Fjermestad, 2005).

Poor Communication

This implies that every person's communication skills affect both personal and organizational effectiveness (Brun, 2010; Summers, 2010).

Culture

is the collective programming of the mind that differentiates individuals of one group from another (Hofstede, 1984b).

Status Quo

a static condition that has no changes, additions or improvements. The term status-quo bias has been used to describe people's tendency of "doing nothing or maintaining one's current or previous decision"

Time

Time management can refer to all of the practices that individuals follow to make better use of their time, but such a definition could range over such diverse areas as the selection and use of personal electronic devices, time and motion study, self-awareness, and indeed a great deal of self-help.

Knowledge and Skill Obsolescence

They have unfamiliar about the technical issue of the change or have no experience about the scope of change and complexity due to which projects fails to deliver its desirable results (Fareeha Zafar and Kanwal Naveed, 2014).

Fear of Loss of Job

According to Ezzy (1993), job loss is a form of status passage that directly disrupts an individual's attempt to sustain consistent and positive self-images and therefore increases the risk of mental health problems.

Ability of the Change Agent

According to Sayyad (2016), a change agent is a person from inside or outside the organization who helps an organization transform itself by focusing on such matters as organizational effectiveness, improvement, and development.

Capability of Employees

Ability is the capacity of individuals to do various tasks in a job (Robbins, 1996).

Uncertainty

Uncertainty has been defined as "an individual's inability to predict something accurately" (Milliken, 1987).

Leadership Style

The significance of the concept is justified by the fact that leadership effectiveness has direct impacts on organizations' change capabilities (Gilley, 2009).

Regulations by Government

Regulatory policy defines the process by which government, when identifying a policy objective, decides whether to use regulation as a policy instrument, and proceeds to draft and adopt a regulation through evidence-

based decision-making (Porket, 2003).

Trust In Management

Trust, therefore, appears to be an essential intangible resource in organisations, which bonds managers and their subordinates (Tzafrir & Dolan, 2004).

Resistors

Resistor in organization make employee resist to organizational change. Giangreco (2002) reclaimed that with the exclusion of the individuals who are confused about the change, the first, second and third cells identify three very distinct behavioral response patterns to change.

Rumors

According to Moulin (2010), rumors are performances of border languages or an expression of how the sense of others is revealed for the political endeavors.

Structural Inertia

is defined as a barrier that slows down or resists the process of organizational change (Majid A., 2011).

Relationship with the Colleagues

Interpersonal relationships at work have an advantageous impact on both organizational and individual variables. Research has demonstrated that friendships at work can improve individual employee attitudes such as job satisfaction, job commitment, engagement and perceived organizational support (Riordan and Griffeth, 1995).

Decision Making Process

Several impediments have been identified in the way of a correct definition of the issue which is the subject of decision: paying attention to effects and not to causes, selective perception, defining problems through solutions (Cornescu, 2004).

Self Development

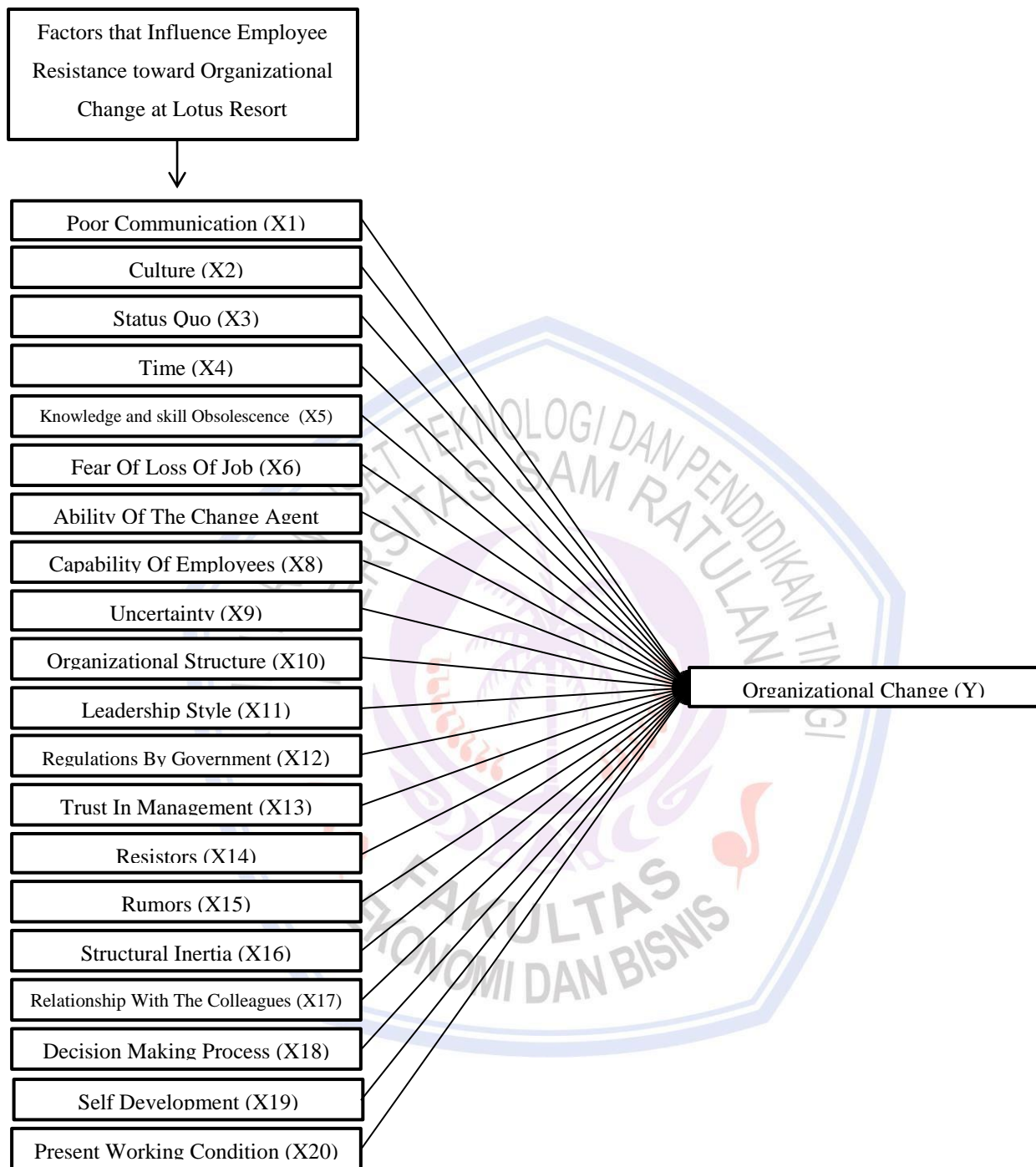
is one of the important thing of employee in organization. Employee can develop their self to improve the performance of the organization. According to Mead (1934), three activities develop the self: language, play, and games. Language develops self by allowing individuals to respond to each other through symbols, gestures, words, and sounds.

Present Working Condition

Working conditions refers to the working environment and aspects of an employee's terms and conditions of employment. According to Gerber (1998), working condition are created by the interaction of employee with their organizational climate, and includes psychological as well as physical working conditions. In other side productivity is a concept that depends on the context in which it employed.

Figure 1

Conceptual Framework



Source: Data Analysis, (2019)

RESEARCH METHOD

Type of Research

Quantitative method is used to collect the data in this research. According to Muijs (2004), quantitative research is essentially about collecting numerical data to explain a particular phenomenon. This research in the field of human resources will analyze the factors that influence employee resistance toward organizational change at Lotus Resort.

Data Collection Method

Data collection methods are important by providing useful information to understand the process before gaining the result. Data collection methods are divided into primary and secondary. The primary data was gained using in-depth interviews with the respondents. The secondary data is taken from journals, textbooks, and relevant literature from libraries and the internet. This data is readily available and can be used in this research.

Operational Definition of Research Variables

Table 1. Definition of Research Variables

No	Variable	Definition	Indicator
1.	Employee Resistance	Resistance is the resultant employee's reaction of opposition to organizational change at Lotus Resort.	Dynamics, Mechanics, Components,
2.	Organizational Change	Organizational change is a change of ownership of a company that occurs due to several factors currently occurring in the Lotus Resort.	psychology, sociology, behavioural economics.

Source: *Empirical Review (2018)*

Data Analysis Method

There are twenty factors that will be used in this research that may influence employee resistance toward organizational change at Lotus Resort. Some of these factors will be eliminated by using Factor Analysis.

Validity and Reliability

Validity test refers to the degree to which the test actually measures what it claims to measure. Test validity is also the extent to which inferences, conclusions, and decisions made on the basis of test scores are appropriate and meaningful. Validity refers to how well a test measure compares to the research purpose.

Reliability test refers to the degree to which a test is consistent and stable in measuring what it is intended to measure. A good test instrument must also be reliable. It means that the instrument will produce the same data if it is used to measure the same object (Sugiyono, 2008).

RESULTS AND DISCUSSION

Result

The data collected from 30 respondents that are the employees of Lotus Resort. The data is analyzed with IBM SPSS (Statistical Package for the Social Sciences) version 25.0 program and using Factor Analysis Method.

Validity Test X1 - X20

VARIABLE	STATEMENT	PEARSON CORRELATION	SIG. (2 TAILED)	N	STATUS
Poor Communication	X1	.520	.003	30	Valid
	X1	.642	.000	30	Valid
Culture	X1	.688	.000	30	Valid
	X2	.672	.000	30	Valid
	X2	.560	.001	30	Valid
Status Quo	X2	.519	.003	30	Valid
	X3	.540	.002	30	Valid
	X3	.633	.000	30	Valid
Time	X3	.507	.004	30	Valid
	X4	.566	.001	30	Valid
	X4	.620	.000	30	Valid
Knowledge and Skill Obsolescence	X4	.680	.000	30	Valid
	X5	.506	.004	30	Valid
	X5	.594	.001	30	Valid
Fear Of Loss Of Job	X5	.867	.002	30	Valid
	X6	.629	.000	30	Valid
	X6	.590	.001	30	Valid
Ability Of The Change Agent	X6	.799	.000	30	Valid
	X7	.748	.000	30	Valid
	X7	.671	.000	30	Valid
Capability Of Employees	X7	.609	.000	30	Valid
	X8	.616	.000	30	Valid
	X8	.504	.004	30	Valid
Uncertainty	X8	.518	.003	30	Valid
	X9	.796	.000	30	Valid
	X9	.864	.000	30	Valid
Organizational Structure	X9	.935	.000	30	Valid
	X10	.674	.000	30	Valid
	X10	.641	.000	30	Valid
Leadership Style	X10	.589	.001	30	Valid
	X11	.751	.000	30	Valid
	X11	.670	.000	30	Valid
Regulations By Government	X11	.571	.000	30	Valid
	X12	.811	.000	30	Valid
	X12	.831	.000	30	Valid
Trust In Management	X12	.594	.001	30	Valid
	X13	.856	.000	30	Valid
	X13	.896	.000	30	Valid
Resistors	X13	.904	.000	30	Valid
	X14	.739	.000	30	Valid
	X14	.554	.002	30	Valid
Rumors	X14	.531	.003	30	Valid
	X15	.793	.000	30	Valid
	X15	.860	.000	30	Valid
Structural Inertia	X15	.672	.000	30	Valid
	X16	.731	.000	30	Valid
	X16	.845	.000	30	Valid

	X16	.838	.000	30	Valid
Relationship With The Colleagues	X17	.792	.000	30	Valid
	X17	.804	.000	30	Valid
	X17	.808	.000	30	Valid
Decision Making Process	X18	.883	.000	30	Valid
	X18	.602	.000	30	Valid
	X18	.860	.000	30	Valid
Self Development	X19	.816	.000	30	Valid
	X19	.909	.000	30	Valid
	X19	.924	.000	30	Valid
Present Working Condition	X20	.711	.000	30	Valid
	X20	.642	.000	30	Valid
	X20	.791	.000	30	Valid

Source: Data Processed (2019)

Reliability Test X1 - X20

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.953	.953	60

Source: Data Processed (2019)

Table 5.2 shows that the 20 variables in this research have Cronbach's Alpha value 0.953, and the N of Items explain how many question to be tested in this test. The data is considered as reliable because the value above the acceptance limit of 0,6. So it clearly states that the 20 variables are reliable and can be accepted for further test and analysis.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.756
Bartlett's Test of Sphericity	Approx. Chi-Square	610,686
	Df	190
	Sig.	.000

Source: (SPSS output, 2019)

Based on table 5.4, the value of KMO is 0.756, show that the value is greater than 0.5 which indicates that the sample is adequate. The result of calculation with SPSS resulted Barlett Test of Spehricity value of 610.686 with significance of 0.000. Thus, Bartlett Test of Spehricity meets the requirements because of significance below 0.05 (5%). With the results above, it can be said that the variables and samples are allow for further analysis.

CONCLUSION AND RECOMMENDATIONS

Conclusions

Based on the results of the discussion described in Chapter IV, it can be concluded that from this research can be formulated as follows:

1. The KMO value obtained after rotation reaches a value of 0.756. Where after the rotation, the initial 20 factors have been grouped into 15 factors which are then represented in the naming stage with 3 main factors.
2. After the examination process of findings and discussion of results, there are 3 factors that Influence Employee Resistances Toward Organizational Change at Lotus Resort Mokupa. First factor is Trust in Management; second factor is Ability of the Change Agent; third factor is Poor Communication.

Recommendation

The following are some recommendations:

1. Approach both individuals and groups in implementing change, to avoid resistance.

2. Implementing the change by taking part in each contribution in the organization and based on joint decisions to achieve common goals.
3. Steps in overcoming resistance can be done by identifying changes and individual characteristics, implementing these changes to complete responsibility for a common goal.

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