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PERSONNEL MANAGEMENT IN THE CONDITIONS OF ORGANIZATIONAL CHANGES: THE ENVIRONMENTAL APPROACH

The article deals with the ideas of employees about the organizational culture of the company. The analysis of data obtained has allowed determining the possibilities and features of the upcoming organizational change management.

Key words: organizational culture, innovative environment.

Organizational changes generate a great deal of negative expectations and consequences and tend to fail more often than other innovative projects. According to K. Cameron and R. Quinn, depending on the subject of changes in an organization, only 15-20% of them are successful, which is due to neglecting the aspects of the company organizational culture [2]. Among causes of failures the following ones can be found: 1) a desire of each organization to be stable, 2) an unpredictable impact of changes in one organizational structure on changes in some other organizational structure, 3) the influence of changes not only on the formal structure of the organization, but also on the informal aspects of the system, which generates negative employees' attitudes towards changes in the company [5, 7].

During the period of organizational changes, special requirements to the management of company personnel arise. They relate to the need of forming a new understanding of professional occupation and a new set of employees' work activities. As the result, some resistance starts to accumulate on the part of the company personnel and new competencies of managers become important. The reasons for such resistance are often grouped according to economic factors (the fear of unemployment, the fear of salary reduction); social factors (unwillingness to adapt to new conditions, the desire to maintain former social contacts, fear of reduction in the overall job satisfaction, hostility towards the intervention from the outside of the company, dissatisfaction with the weak role in the innovative process, the idea that innovations are only useful to the company, not to its employees), psychological factors (attitude to the criticism of the usual methods at work as to an insult, unwillingness to spend effort on learning, the fear of increasing the intensity of work, the fear of uncertain future, lack of understanding of one's place in the innovative process) [1, 7].

Several individual technological approaches to this problem were developed along the course of several decades during which the problem stayed relevant. The changes in an organization are made possible with: changes in the system of values of the company managers (Blake, Mouton); team building (Woodcock, Francis); organizational planning (Sayer, March, Lorch, Woodford); development of the style of leadership and management (Fiddler, Hersey); development of industrial democracy in the company (Brown, Jack) [5].

The environmental approach emphasizes the importance of evaluating the overall state of the organization [7]. Its readiness for the changes is determined by the ability to come from one state of the dynamic balance into another through a state of imbalance. The question is what qualities describe the state of the social system and what values they should have to make it possible to determine if the system is in the stable state or not. In other words, the task is to evaluate the readiness of the system for the changes.

The research was aimed at finding factors the analysis of which can determine the state of the organization as a system – for helping to make further decision about the introduction of innovations.

The empiric research was conducted at a large industrial factory. The selection of the surveyed individuals was random, so that in general the results described the main demographic features of the entire factory personnel. 260 employees from this organization participated in the research, which made approximately 10% of the total number of people working at the main production centre there. At the same time, a poll was conducted among the managers and specialists from both the production and administrative departments of the organization. The results of this survey are published in other articles.

The conditions of the research were as follows. The executive management of the company was planning to implement organizational changes by introducing a new system of outgoing costs control. At the moment of holding the research, the company was in a stable economic situation, had an established group of specialists (employee turnover less than 5%) and the organizational culture of almost 100 years old. The organizational structure consisted of 9 main workshops, 58 structural sub-departments of the factory management and 17 auxiliary subdivisions that were providing «social protection» of employees, which included a nursery, a sports camp for children and a hall of residence.

For the period of previous 15 years, despite the fundamental changes in the social and economic environment, the company maintained the infrastructure and elements of the organizational culture characteristic of a typical successful Soviet business.

The practical aim of the research work was consulting the company directors about the level of readiness of the company's workers and managers for the introduction of the new system of expenditure control. The prediction of success rate of the organizational changes project was also a part of the practical task.

The research goal was to find the most sensitive integral characteristics of the social system that could show the dynamics of its transfer from one state of balance into another.

The effectiveness of introduction of the organizational changes to the company depends on the presence of at least two subsystems with special qualities: the workers with their willingness for changes and the managers with their ability to implement those changes.

The development of the research methodology was based on the practical requirements of the project and also on a concept that the acceptance of the organizational changes by workers of the company depends on the conflict rate inside the company, unity and awareness of the staff, employee turnover, trust in the company management, understanding the necessity of changes and a certain level of dissatisfaction with the current state of affairs [3, 5]. The above characteristics were evaluated during the diagnosis of the social and psychological climate and organizational culture of the company.

Organizational culture by Shain was defined as «a pattern of collective base assumptions, created in a group in its attempts to solve the problems of adaptation to the changes in the external environment and internal integration, the effectiveness of which is valuable enough for introducing them to the new members of the group as the correct system for managing the above problems»[6]. It was diagnosed by the attitude of the participants of the work process towards each other, their jobs and innovations.

The study of the employees' conception of the organizational culture was carried out with the use of metaphors because in their analysis associative and creative thinking is activated. By comparing the metaphoric object with the existing reality, the person feels more freedom in their thoughts and emotionally coloured images reveal real attitude to the problem. The methodology diagnosed the attitude of the employees about completing their job assignments, their acceptance of the changes in the organization and opinions of workers about the company management and visa versa.

With the help of the methodology of the social-psychological self-evaluation of a group of people, such characteristics of workers were determined as responsibility, cooperativeness, self-discipline and awareness. Opinions that were introduced in a text described the behaviour of a person and the relationships between the people in a group. Only 4 of the 7 blocks of text were used to optimize the procedure and reduce the time of survey. The respondents were

asked to decide what amount of individuals from their work-group the described relationships and forms of behaviour could apply to. The maximum amount of points was given to the answer «everybody» and the minimum to the answer «nobody».

In such a way, the chosen methodologies allowed to study different aspects of the social system state. The methodologies were based on the assumptions of the system members, i.e. on the way the group forms its attitude to itself. The important characteristics of the system state are the dispersion of the results, the correlation dependency and cluster grouping.

The employees of the company highlight such important characteristics of the organizational culture as the negative attitude towards the duties at work, the resistance to changes, the negative treatment of the workers by the management of the company that creates workers' lack of interest in achieving the final result, the unwillingness to work to the full potential and the avoidance of responsibility. With the above factors also come excessive deliberation and conflicts at work place. Because of that, the following metaphors were the most popular among the surveyed individuals: «Only fools and horses work», «Where there is a strong one, the weak one is always the one to blame», «Half a loaf is better than no bread».
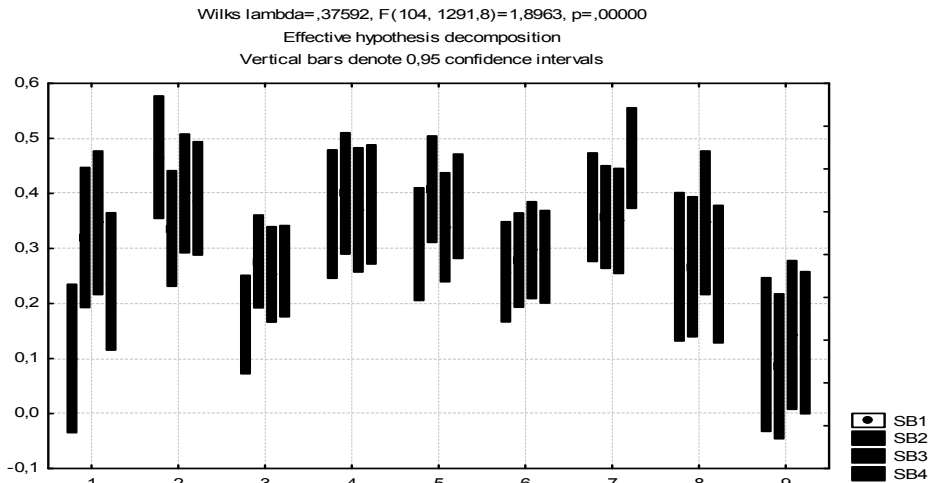
In social-psychological climate the part responsible for positive feelings is dominating. From the analysis of the mean group results the cognitional and behavioural components can be treated as undetermined. Most of the colleagues are thought of as kind and good people, though the respondents can not determine their personal and professional characteristics and usually are not willing to ask them for help or meet with them outside the company.

The attained results are characterized by a high level of dispersion in the opinions on the organizational culture and the social-psychological climate. The results pattern derives from the normal distribution. Less spread in the results is observed during the «self-evaluation of the group of people».

What could have caused such a wide dispersion in the results, what is the reason for this and what are the possible consequences? One of the possible answers to the questions was found from the results of the one-factor analysis ANOWA. «The structural subdivision of the company where the surveyed people work together» was chosen as the unbound variable during this analysis and grouped the results with the high degree of probability (Fig. 1–4).

E. Shain determined three types of subcultures, depending on the main values of the social-professional group: operational (focuses on the management of the sub-systems of the organization and the interaction between people), engineering (the main value is errorless technical decisions) and executive (focuses on the financial aspects of operation). The subcultures from the empirical research do not fit this typology, as grouping happens not only according to the characteristics of the jobs performed, but also according to the separate subdivisions of the organizational culture. Observations of the artefacts of the organizational culture in certain workshops confirmed this idea. In each of the workshops during the course of decades a special environment for organizing working places, places for recreation, meeting rooms, accommodation spaces, managers' offices, etc. have been formed. Therefore, speaking of the organizational culture and the social-psychological climate of a large company as a single social-economical system, it is necessary to take into account its heterogeneity. From our point of view, it is possible to find links or sections in this heterogeneity susceptible to changes. Weak, that is inclined to the organizational changes, links are probably present among the qualitative characteristics of the system too. This is what most authors pay attention to, providing detailed lists of the reasons for the personnel resistance to changes.

The results of the study of the organizational culture of company workers per workshop are displayed on the Figure 1. The higher the group average value is, the more negative opinion about the organizational culture the workers have. There is a great difference between the group-average profiles of different work groups. The workers from workshops 2 and 7 received high scores. In the first case, the emphasis was on the negative attitude towards the management of the company (SB1), in the other case, the high negative results were received from the «acceptance of innovations» (SB4) criteria. Positive group-average tendencies in workshop 9 are accompanied by a significant spread of the results, which can be interpreted as the low level of workers' consolidation. The existence of similar tendencies for the members of a group with relation to their values can be interpreted as group unity.

Wilks lambda=,37592, F(104, 1291,8)=1,8963, p=,00000
Effective hypothesis decomposition
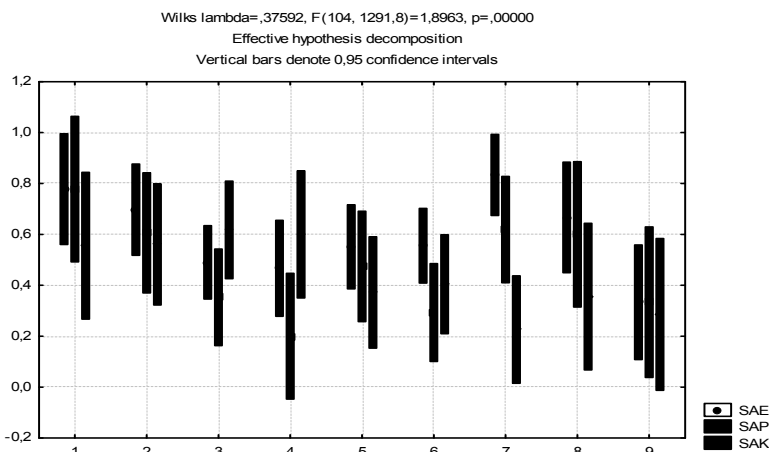Vertical bars denote 0,95 confidence intervals

Abscissa axis – workshops 1 – 9. Ordinate axis – group-average results of the characteristics:
SB1 –attitude of workers towards managers, SB2 – attitude of managers towards workers,
SB3 – attitude of employees towards their duties/jobs, SB4 – attitude of employees towards innovations

Fig. 1. The opinions of the workers of certain workshops about the organizational culture of the company

We can observe a high level of correlation in the results of different categories in workshops 3, 4, 5, 8 and 9 (R is changing from 0.48 to 0.66). Probably, groups of people are formed in these departments with negative attitude towards all the elements of the organizational culture and the company in general. The workshop appears to be split into groups of satisfied and dissatisfied people. These assumptions are supported by the results of cluster analysis as well. In the above groups a larger amount of cluster formations is observed than in the other workshops.

The process of group development is happening in a certain direction from increasing the emotional disposition to learning more about each other and cooperating together and decreasing the difference in the individual values of the components of social-psychological climate. From that assumption we can derive that the most united groups are workshops 9 and 5 (Fig. 2). The least coordinated attitudes about the individual components of the social-psychological climate were demonstrated by the workers from workshops 7 and 4.

It is interesting that in certain groups the emotional component (SAE) of the social-psychological climate received a smaller value than the cognitional component (SAK) (for example in workshops 3 and 4), i.e. the logic of the answers was more like «I know everything

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Effective hypothesis decomposition
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Abscissa axis – 1 – 9 workshops. Ordinate axis – group-average results of the components:
SAE – emotional component, SAP – behavioural component, SAK – cognitional component

Fig. 2. Attitude of the employees towards the social-psychological climate of the organization

about them», «I don't like them», «I do not want to work with them». The 3d and the 4th groups according to the results obtained using previous methodology are characterized by a high level of correlation in the received values.

Another example of the relation between the components of the social-psychological climate analysis is observed in groups 1, 2, 5, 7, 8 and 9. The conventional logic of the answers was – «generally I like them», «I do not know anything about them, but this does not make it harder to work with them». The largest spread in the group-average results is from the value of the attitude towards innovations of the workers in workshop number 7 (according to the results of the study of employees' attitude to the organizational culture). And the third type of the results belongs to group number 6, with the answers like «generally I like them», «I know a little bit about them», «I am not going to socialize with them».

The respondents think that almost nobody (value of 1) or the minority of the employees (value of 2) demonstrate organized responsible behaviour, awareness and cooperativeness (Fig. 3). The highest results belong to workshop number 4 (cooperativeness). The meaning of cooperativeness is described by the following expressions – «glad for the success of each other», «trust each other», «help each other». Almost in all of the studied groups, except workshops 1 and 3, the value of this component is higher than the other. The category with the lowest values was the awareness for all of the workshops. The workers do not appear to know about the tasks of their work groups, the results and the positive and negative aspects of group work. It can be assumed that almost nobody knows about the work progress of other employees. The obtained results are similar to the results of the cognitical component of the organization social-psychological climate's study (Fig. 2).

The meaning of the discipline component is in the ability to interact with other people at work, independent detection and correction of errors, fair distribution of responsibilities and conflicts settlement ability. Group average results vary from the «minority» level (2 points) to
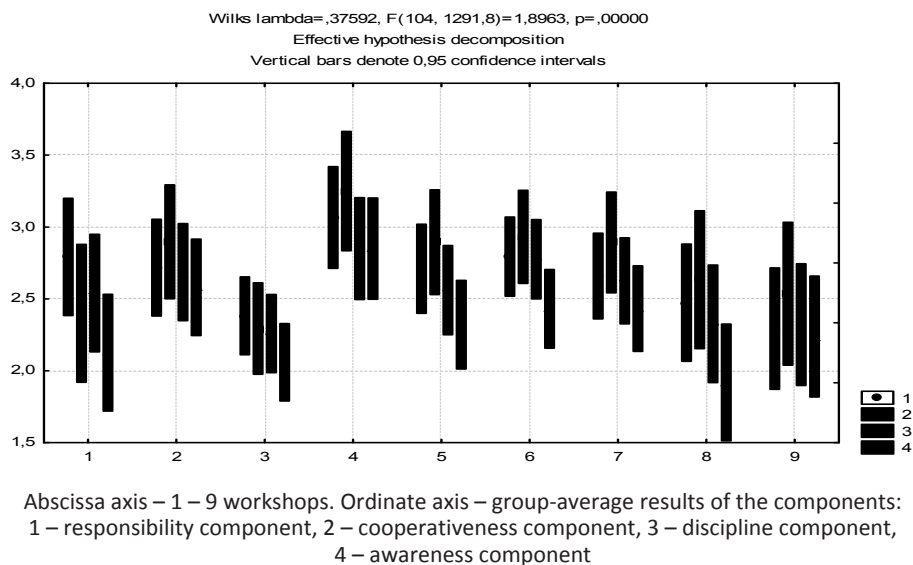

Wilks lambda=,37592, F(104, 1291,8)=1,8963, p=,00000
Effective hypothesis decomposition
Vertical bars denote 0,95 confidence intervals

Abscissa axis – 1 – 9 workshops. Ordinate axis – group-average results of the components:
1 – responsibility component, 2 – cooperativeness component, 3 – discipline component,
4 – awareness component

Fig. 3. The results of the social-psychological self-diagnosis of the group

the «half of the group» level (3 points), depending on the number of people characterized as disciplined in the workshop.

It appears that the social system is in the stable state. The transfer to a better stable state could have worsened the situation, which would increase the resistance both from the sides of the workers and from the line managers of the workshops. Taking into account the underdeveloped system of information dissemination in the company, the low level of awareness as the value of the organizational culture, the mainly negative attitude of workers towards the management of the company, the difficulties with implementing the new system of outgoing costs control, the

external economic circumstances and the lack of the management resources, the directors of the company decided not to introduce the organizational changes.

From this situation only a theoretical continuation of the project is possible. One of the realistic examples of a course of actions could be the following: select a subdivision that is important and valuable for the primary manufacturing process, which is characterized by the dissatisfaction with the current state of affairs, heterogeneity in the values that describe various group aspects, an average level of trust to the management of the company and a low level of the cognitive component of the social-psychological climate. Group number 8 fits the above requirements and can be the start of the organizational changes.

From the results of the cluster analysis the existence of two groups of 47% and 53% of the surveyed people was revealed. The difference between the clusters was determined by the values of the social-psychological self-evaluation of the group and the emotional component of social-psychological climate. The distribution of this group is representative for the general tendency of the whole sampling range. Probably it shows the state of balance, when a group is split into two equally sized parts with their own position and opinions about themselves.

The main resource of introduction of the organizational changes to the company is thought to be the process of informing people by creating the situations of communication. Alternatively, the interaction between people in the situations where a need for interpersonal communication arises can serve the same purpose. That requires the communication to be directed at solving the problems associated with the subject of changes. The resistance to changes from the side of the personnel will be increasing in parallel with deterioration of the general state of the social-economic system, reaching the critical state, which is determined by the time and reserved resources factors. The decrease in the resistance of the personnel to the changes and first local positive results can be a signal to introducing the organizational change to all the other company subdivisions. It is agreed that a weakly developed system can make a transfer to a better state almost without worsening its position prior to that. Still, the question of determining the critical value of weakness or strength of the social-economic system is open.

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Статья посвящена исследованию представлений сотрудников об организационной культуре компании. Анализ полученных данных позволил определиться с возможностью и особенностями управления предстоящими организационными изменениями.

Ключевые слова: организационная культура, инновационная среда.

Статтю присвячено дослідженню уявлень співробітників про організаційну культуру компанії. Аналіз отриманих даних дозволив визначитись із можливістю та особливостями впровадження організаціних змін.

Ключові слова: організаційна культура, інноваційне середовище.