

## **THE FLAIR OF RESISTANCE TO CHANGE: AN EMPLOYEE-CENTRED PERSPECTIVE**

**Joseph S L Cheng & Sonja Petrovic-Lazarevic**

*Working Paper 9/05  
March 2005*

**DEPARTMENT OF MANAGEMENT  
WORKING PAPER SERIES  
ISSN 1327-5216**



### **Abstract**

Transformational changes to “doing more with less” in organizations have been rapid, recurrent, and structural; and many failures in these changes are due to employees’ resistance. In this paper, we develop theoretical model to explain how the nature and characteristics of employee’s resistance to “doing more with less” organizational change can be managed to embed negative resistance into positive pursuit of organizational success.

**This paper is a work in progress. Material in the paper cannot be used without permission of the author.**

# THE FLAIR OF RESISTANCE TO CHANGE: AN EMPLOYEE-CENTRED PERSPECTIVE

## INTRODUCTION

Charles Handy in the mid-1970s first predicted that the technological revolution, which had then just begun, would make its impact felt in the marketplace and would transform the lives of millions through a process he termed “downsizing” (Dening, 1996). People then paid only passing attention to what he said. However, the advent of information technology, the forces of globalization, increased international competition, enhanced consumer demands, government regulations, the rise of managerialism, and waves of economic downturn since then have all necessitated transformational change in strategy, structure, and process in both private and public organizations to survive and thrive. Restructuring, downsizing, and business process reengineering become a dominant trend in both private and public sector in the past two decades. Across-the-board cutbacks, organizational delayering, outsourcing, voluntary terminations, massive layoffs, and shutting down of entire divisions or departments are common. Despite the fact that recent recession in most developed countries has technically come to an end, these transformational changes have not. A recent issue of Newsweek reported that “There is a growing camp of economists who believe today’s brutally tough labour market is not a temporary American oddity. Falling wages, reduced benefits and rising job insecurity seem to be increasingly entrenched features of the job scene across most of Western Europe, the United States and other parts of the developed world” (Foroohar & Emerson, 2004: 40). The quest for “doing more with less” becomes ritualistic in nowadays management, whilst the change towards less pay, harder work and fewer benefits for workers becomes “structural” (Groshen & Potter, 2003). Economists begin to term this trend as “jobless recovery” (Roach & Berner, 2004), i.e. economic recovery with no growth in jobs. This structural change manifests itself in mainly two features: “the predominance of permanent job losses over temporary layoffs and the relocation of jobs from one industry to another” (Groshen & Potter, 2003:1).

Those who are not being laid off and those who have found themselves landed on a different job have to face radical changes. These may come in the job nature, process, or workload; more often than not these changes pour in all at the same time. Such a rush of changes might indeed be timely and essential for corporate survival and success, but does it mean the employees are ready and willing to change even under the threat of losing their job? Does it mean they will perform their very best under duress for long?

In this paper we develop theory concentrating on the nature of employee’s resistance to “doing more with less” organizational change and how to embed them into positive pursuit of organizational success. Here, resistance to change is defined as any employee actions attempting to stop, delay, or alter change (Bemmel & Reshef, 1991) and also any perceived behaviour of organization members who seem unwilling to accept or help implement an organizational change (Coghlan, 1993). The scope of analysis is confined to the type of resistance to change which is largely an individual’s spontaneous and informal response to major changes or transformation of organizational strategies, structure, and process brought forth by restructuring, downsizing business process reengineering, and similar management revamping. These individual responses are largely “unorganized” in the sense that rationally organized strategic planning and instrumental calculation (Collinson, 1994) is not involved. The focus is on the internal dynamics of the workplace, particularly on the conflict of interests and expectations between the employers and the employees, the gap between promises of effort and promises of reward, and the barriers resistance to change would pose to any transformational change when “doing more with less” is called for. The underlying thesis of this paper argues that the search for organizational excellence hinges equally on, if not more, specific management attention and effort in priming the positive side of employees’ resistance to change. To explicate this thesis, this paper examines and draws support from various contemporary studies on the positive side of resistance to change, and come up with propositions on its implications to management. It then argues with an outline of where the

flair of resistance to change lies, what the overall policy implications for organizational management are, and how future research should be steered to optimize such flair.

## **CONTEMPORARY UNDERSTANDING OF RESISTANCE TO CHANGE: A VIGOROUS APPRECIATION**

An appreciation of the more contemporary understandings of resistance to change is best to begin with the term resistance to change itself. The mental model, i.e. during organizational change there is resistance to change and that management must overcome it to prevent its interfering with successful change implementation, is increasingly under contemporary researchers' scrutiny. Dent and Goldberg (1999: 47) have gone as far as to urge us to dispense with the term altogether, or at least to replace "resistance" with "loss". People do not resist change *per se*, what they resist is the loss they perceive that they will suffer from change. Moreover, the site of the cause of resistance is not necessarily only rested with the employees; it could also be with the employer or the management in the form of ineffective management and violation of the employment contract. New concepts emerge as contemporary researchers begin to view resistance to change in multifaceted ways. Diagrammatically, the theoretical concept postulated here is like this:

-----  
Insert Figure 1 about here  
-----

### **The Play of Human Psychological Cycle and Self Defense**

Despite the fact that many employees' resistance to organizational change jumps up quickly and violently at the initiation of change, management should have the requisite composure to appreciate the human elements embedded in it.

### **The Cycle of Negative Response**

Conner (1998) based and adapted Kubler-Ross cycle of grief in her renowned book *On Death and Dying* (1973) to the corporate world in describing people's negative response to change. According to Conner, the emotional highs and lows in question are less intense when compared with the ones involved in grief, but the sequence of the stages is just as relevant in understanding any negative change that we face but cannot control. There are eight distinctive stages through which people pass whenever they feel trapped in a change that they do not want but cannot control. These stages are in the following sequence:

1. **Stability:** This refers to the state prior to any announcement of change, i.e. the present state, the status quo.
2. **Immobilization:** Shock is considered the initial reaction which varies from temporary confusion to complete disorientation. The perceived change is so alien to the person's frame of reference that the person is often unable to relate to what is happening.
3. **Denial:** People at this phase are characterized by the inability to assimilate new information into the current frame of reference, and the reaction is one of rejection or ignorance.
4. **Anger:** Frustration and feelings of being hurt come in at this phase, and these are often manifested through irrational, indiscriminate lashing out.

5. **Bargaining:** People begin to try bargaining to avoid the negative impact of change. This indicates that people can no longer avoid confronting with the reality. All earlier phases involve different forms of denial; this phase signals the beginning of acceptance.
6. **Depression:** People go through another phase of emotion now, usually expressed in the form of resignation to failure, feeling victimized, a lack of emotional and physical energy, and disengagement from one's work. Although depression is not a pleasant experience, it represents a positive step in the acceptance process – the full weight of the negative change is finally acknowledged.
7. **Testing:** This refers to the finding of new ways to adapt to the new situation and to get on with the new framework. This signals the acknowledging of one's limitation, the attempt to regain control, and the freeing of oneself from the feelings of victimization and depression.
8. **Acceptance:** At last people respond realistically, being more grounded and productive relative to the previous phases within the new context.

However, Conner is quick to point out that acceptance of the change is not synonymous with liking it. And management would often find it time and energy consuming to provide support to troubled employees at each of the transitional phase. In addition, if the situation is left unattended or only haphazardly attended, the price of a valued employee not being able to complete the sequence can be even more costly; and there is no guarantee that people will move successfully through each of the phases on their own (Conner, 1998).

### **The Role of Defense Mechanism**

Bovey and Hede (2001) had made an interesting investigation on the relationship between a person's internal defense mechanisms and their association with resistance to change. A person's internal defense mechanisms get developed from a psychological construct called unconscious processes to protect oneself from the unpleasant feelings of anxiety (de Board, 1978). Unconscious processes are simply thoughts and desires that are below the level of conscious awareness (Matlin, 1995). In Bovey and Hede's (2001) investigation, unconscious processes are operationalized as defense mechanisms that arise involuntarily in response to the perceptions of psychic danger and are adopted by the individual to alleviate anxiety (Andrews, Singh, & Bond, 1993). Anxiety arises not only from perceived external dangers, but may also be experienced internally when situations trigger the surfacing of past indecent experiences, fears, or worries. It also exists when habitual thoughts, feelings or behaviors in the subconscious mind conflicts with new thoughts, feelings, and intentions to act in the conscious mind (de Board, 1978, 1983). The forces of the unconscious mind could often out power that of the conscious one (Wade & Tavis, 1996, van der Erve, 1990). And internal defense mechanisms get developed from the unconscious mind over time through repetition and reinforcement and are stored in memory (Altorfer, 1992).

In Bovey and Hede's (2001) study, resistance is operationalized as behavioral intention to resist, and behavior has been defined as physical actions that can be seen or heard and also includes mental processes which cannot be seen or heard (Matlin, 1995). Two "adaptive" defenses, i.e. humor and anticipation, and five "maladaptive" defenses, i.e. denial, dissociation, isolation of affect, projection, and acting out, are being investigated. The findings of Bovey and Hede (2001) investigation show that individuals who are unconsciously inclined to use maladaptive defenses are more likely to resist organizational change; whilst that of using adaptive ones are less likely. Bovey and Hede cited Bond (1995) that "humor" is strongly associated with good coping and it reflects an individual's capacity to accept a conflictual situation while taking the edge off its painful aspects. On the other hand, "projection" is revealed having the strongest association with resistance to change relative to other maladaptive defenses being studied. A projecting person has a tendency to put blame and responsibility on others instead of accepting their own impulses (Bond, 1995), and projection tends to blur a person's ability to distinguish what is inside the self and what is not, and thus distorts reality. The source of anxiety then becomes externalized and

something objective to be resisted (de Board, 1978). This is considered an important source of resistance to change.

Bovey and Hede (2001: 545) concluded that “individuals were more likely to resort to projection as a defense. These individuals were inclined to externalize their internal thoughts and feelings, perceiving the change as the cause of their anxiety and responding with resistance”. Until the individual understands the internal source of the anxiety, bringing the unconscious to the conscious and accept it, resistance to change will continue to manifest in a “projected” fashion.

*Proposition 1: Resistance to change is not exactly resistance to change per se at its start, it is more an inter-play of natural human responses to negative change one is being trapped in and could not control.*

### **The Intricacy of Background Understandings and Constructed Realities**

The post-modernist constructivist view of resistance to change is that realities are socially constructed and there is practically no exact, objective, and homogeneous reality as to what the same change means to different members of an organization. For the constructivist, the reality we know is interpreted, constructed, or enacted through social interactions (Berger & Luckmann, 1966; Watzlawick, 1984; Weick, 1979). It is not possible for people to have any “true” reality independent of themselves; rather “different people in different positions at different moments live in different realities” (Shotter, 1993: 17). According to Ford, Ford, & McNamara (2002: 106), “Resistance, therefore, is not to be found 'in the individual' but in the constructed reality in which individuals operate. And, since different constructed realities differ not only in their outcomes, but also in the kind of talk with which they are conducted and maintained ... As a result, they engage in different actions, and give different forms of resistance ... it is the nature of this reality that gives resistance its particular form, mood, and flavor”. Ford, et al. (2002) therefore seeks to relocate resistance to change as a process and product of the background conversations that constitute the constructed reality in which members of an organization live. And the realities we know as “organizations”, “change”, and “resistance” come to exist in the process of conversations and discourses that constitute those realities (Ford, et al., 2002: 107).

Resistance to change therefore could be seen as a function of different background understandings which socially construct different realities. Three generic resistance-giving backgrounds are posited by Ford, et al. (2002):

1. **The Complacent Background:** This is constructed on the basis of historical success. People refer to past success(es) to justify that the current success(es) will continue or that they can be easily repeated if we “just leave things as they are”. Here, historical success becomes the “evidence” for people to avoid making “disruptive” changes. Any substantive change proposed and introduced in a complacent background engenders conversations that reinforce complacent resistance, i.e. change is socially constructed as unnecessary. This resistance to change is therefore considered most difficult to displace or shift (Hedberg, Nystrom, & Starbuck, 1976; Johnson, 1988; Nichols, 1993).
2. **The Resigned Background:** This is, on the contrary, constructed from historical failure. In organization where things have gone wrong, the conversations that constitute a resigned background have accumulated to establish a theme of “this probably won't work either”. This reflects that people have no hope of being able to change the situation. Understandings are dominated by self-blame, both on themselves and on the organization for the inability to succeed. Emotions like despair, apathy, hopelessness, depression, sadness, and listlessness abound. Any introduction of change would engender resistance to change characterized by half-hearted actions, lack of motivation, and an apparent unwillingness to participate. To make matters even worse, firstly, people who ignore the areas in which their resignation is operative may also effectively deny their own resignation (Martin, 1991); and secondly, their backdrop might contain a notion that another individual or organization could likely succeed, even in the

very same circumstances. Therefore, resigned resistance conversations justify and reinforce the very action of “no action”.

3. **The Cynical Background:** Like resigned background, this is constructed from historical failure, either directly or vicariously experienced through stories and narratives of others' experiences. The difference lies in the assignment of failure. Here, the cause of failure is assigned to a “real” or fixed external reality or to other people and groups. Failure and inauthenticity are expected, due to shortcomings in others, in the organization or larger systems, or even the world, and nothing can be done to right the wrongs. And when a change initiative does fail, it handily serves as a validation, further expanding the construction of this background. Under such background, references are likely to include that of being let down, deceived, betrayed, or misled by powerful others. Any introduction of change here would be greeted by overtly hostile and aggressive attacks on the inability or unwillingness to recognize that “nothing can right the wrongs”. There are distrust and disbelief, anger and resentment, scorn, derision, and contempt involved.

Ford, et al. (2002) are quick to point out that managers and employees who engage in such conversations are strengthening these realities, infecting and re-infecting themselves and others with these conversations, and displaying the respective symptoms aforesaid. Everyone participating in these conversations is responsible for the resistance to change created.

*Proposition 2: The substance of resistance to change falls more on employees' background understandings and their socially constructed realities than on individual employees; and the differentiation of the resistance-giving background helps tackling resistance to change.*

### **The Mediation of Cognition and Affect**

The role of a person's cognition and affect has long been linked by researchers in organizational behavior studies to a person's response to organizational change. In outlining resistance as a process, Schlesinger (1982) used the processing sequence of “interpretation, cognition, affect, and action”. This corresponds to an even earlier statement by Ellis and Harper (1975) that humans have four basic processes, i.e. to perceive or sense, to reason or think, to feel or emote, and to move or act. These processes, according to these researchers, are not isolated or being experienced entirely separately; instead people functions holistically and simultaneously with these processes which also overlap with one and other.

Having said that, people's disposition matters as raised by Brief and Weiss (2002) in appraising what is known about affective experiences in organizational settings. People's affective dispositions could largely be categorized under negative affectivity or positive affectivity, “with individuals high in the former prone to experience a diverse array of negative mood states (e.g., anxiety, depression, hostility, and guilt) and individuals high in the latter prone to describe themselves as cheerful, enthusiastic, confident, active, and energetic” (Brief & Weiss, 2002: 284). Brief, Butcher, and Roberson (1995) posited that people with high negative affectivity have the tendency to dwell on failures and shortcomings of both themselves and others, and are also more sensitive to negative stimuli. Therefore, the threshold for their propensity to accept, adapt, and work with any negative change is understood to be lower than those high in positive affectivity. But such dispositions only set the stage for individuals to have more or less intense bouts of emotion, argued by Weiss and Cropanzano (1996) in their Affective Events Theory which emphasizes “the role of events as proximal causes of affective reactions and then as more distal causes of behaviors and attitudes through affective mediation” (1996: 31). Here, it is postulated that behaviors are of two kinds: affect driven and judgment driven. The former follow directly from affective experiences and are mediated by direct effects of affect on cognitive processing or judgment biases. The latter, on the other hand, are the consequences of decision processes where one's evaluation of one's job is part of the overall decision processing, and this processing is mediated by non-affective cognitive evaluation of the job or elements in it. However, affect-

driven behaviors are considered relatively immediate behavioral and cognitive outcomes of affective states, and they are of relatively short duration and high variability. On the other hand, judgment-driven behaviors are outcomes influenced by overall or particular evaluative judgments and are well considered decisions. In the appraisal of Brief and Weiss (2002) on affect in the workplace, organizational research shows that “affective states can influence a variety of performance-relevant outcomes including judgments, attitudinal responses, creativity, helping behavior, and risk taking” (2002: 293). In the light of this, we are of the view that affect mediates cognition and the decision to resist change. Brief and Weiss (2002) just wondered whether such mediation of affect and cognition happens not only in workers as people, but also exhibits in work groups and organizations as a corporate body.

Piderit (2000), in the course of bringing out the possibility of an ambivalent attitude in employee's initial response toward change, employed the “tripartite” view of attitudes from social psychology (Ajzen, 1984) to synthesize past conceptualizations into a three dimensional view of resistance to change: cognitive, emotional, and intentional. The cognitive dimension here refers to an individual's evaluations and consequent beliefs about the change and the effects of change. These evaluations and beliefs could be positive or negative, mild or extreme, or indeed neutral. The emotional or affective dimension refers to an individual's feelings in response to the change. Again, these feelings could be neutral or otherwise as aforesaid. The intentional dimension refers to a plan or resolution to take some action, i.e. to support or oppose. Piderit (2000) argued that ambivalent attitudes as whether to support (positive response) or to resist (negative response) could occur positively on one dimension and negatively on another; or indeed negative and positive responses could even co-occur within one dimension simultaneously. The simplest case is when an individual's cognitive response to a proposed change is in conflict with his or her affective response. Russell (1980) and Watson, Clark, and Tellegen (1988) research reports suggested that positive and negative affect can co-occur; and Vince and Broussine's (1996) study demonstrated that excitement and fear are often experienced simultaneously. These give the argument empirical support.

Piderit (2000: 788) posited that “most employees' responses to a proposed change will involve some ambivalence”. This ambivalence is all the more obvious when the change people faced is getting more rapid and complex. The “gamma” change process in the “typology of change” (Golembiewski, Billingsley, & Yeager, 1976) which involves a complete conceptual redefinition (Beer & Walton, 1987) is a case in point where comprehension of the change requires throwing away of old perspectives and the perceiving of new ones. Under such circumstances, cognition and affect take time to assess the situation and react. It is here that carries a profound implication for management to steer change initiatives: the playing out of the first stage of a change process and taking care of the cognitive and affective dimension of people's attitude and behavioral formation.

Following the footsteps of Plutchik (1994) and Weiss and Cropanzano (1996), Paterson and Hartel (2000) had developed a cognitive-affective model that integrates anxiety emotions and justice cognitions to explain the effects of change program characteristics on employees' responses to downsizing. In their study, the Cognitive Appraisal Theory is used to explain the anxiety created by change. An employee faced by a major organizational change would give the situation a “primary cognitive appraisal” to assess the impact the change will bring on their wellbeing. If the outcome is negative, this gives rise to emotions such as anxiety. Then a “secondary cognitive appraisal” would follow which is a more specific assessment to comprehend and grasp hold of the attributions about the cause, the consequences that follow, and the options for dealing with it. According to Weiss and Cropanzano (1996), secondary appraisals have the greatest impact on emotions, and also influence the strategies individuals use to cope with the situation; and that any continuous emotional engagement would draw people's attention and focus away from the job leaving fewer resources to commit to job performance. People may also overreact to emotional events unrelated to the underlying core theme in the course of such continuous emotional engagement, as possible misrepresentation of the event's emotional source is being produced.

*Proposition 3: Employees' cognition and affect in regard to the impact of change mediates resistance to change; and cognition and affect as an initial immediate response could be ambivalent in face of rapid and complex changes, requiring critical management action prior to any formation of secondary cognitive appraisal.*

### **The Non-Polarization of Consent and Dissent**

Collinson (1994:29) argued that “much of the critical literature on employee behavior tends to overstate either consent or resistance and to separate one from the other. Within these polarized perspectives, employee resistance is frequently treated either as all but non-existent or alternatively as all-pervasive”. This is considered a too simplistic conceptualization of resistance to change, inadequate in accounting for the multiplicity of oppositional practices in different workplaces. According to Collinson (1994: 29), “resistance and consent are rarely polarized extremes on a continuum of possible worker discursive practices. Rather, they are usually inextricably and simultaneously linked, often in contradictory ways within particular organizational cultures, discourses and practices”. Here, the citing of a continuum of possible resistance to change behaviors just sounds familiar enough. However, the non-polarized views of resistance and consent indeed call for some serious attention both from a change management perspective and a socio-psychological understanding of the employee.

*Proposition 4: Resistances to change are rarely polarized extremes on the continuum of work behaviors, and there might be patches of consent on any one change initiative which the management should work on and develop consent further.*

### **The Checks and Balances of Resistance and Dissent**

Among many contemporary researchers on resistance to change, Waddell and Sohal (1998a,b) have been vocal on the utilities that management and change effort can tap on resistance to change, and their stand thus flashes strong contrast to the classically adversarial perception of resistance to change. According to Waddell and Sohal (1998a: 544): “That resistance can play a useful role in an organizational change effort certainly stands juxtaposed to a traditional mindset that would view it as an obstacle ... Nevertheless, it is a conclusion reached by a variety of authors who suggest that there are a number of advantages of resistance. When managed carefully, these advantages can in fact be utilized by the organization to greatly assist change”.

At least three such advantages could be gathered from Waddell and Sohal (1998a) in this regard. Firstly, change is neither inherently good nor bad in itself, and that its consequences are to be its judge. Although we acknowledge that we need to progress and progress brings change, it is simply a fallacy to assume that any change is inherently good. This view is concurred by Hultman (1998). Waddell and Sohal (1998a) therefore argued that resistance to change plays a crucial role in influencing the organization toward greater stability which is, after all, still needed despite the internal and external urge for change. This organizational stability allows a level of predictability and control for the organization to get on with the present work that needs to be done whilst also gets on with the impending change for the future. The urge for change should be accompanied and balanced by the maintenance need for stability. There should be a right mix between change and stability so as to avoid getting dysfunctional in having too much change on one hand, and that the ensuring of stability does not lead to stagnation on the other.

Secondly, resistance to change also provides utilities in drawing attention to any “inappropriate, not well thought through, or perhaps plain wrong” aspects of change or even the entire change initiative (Waddell & Sohal, 1998a: 545). Specifically, the nature of the resistance could be an indicator of the cause of resistance. It will be most helpful as a symptom if management could diagnose the causes for it when it occurs, rather than inhibiting it at once (Bartlett & Kayser, 1973). The crushing of resistance to change once it arises, or indeed “arrives” is metaphorically depicted by Waddell and Sohal (1998a) as akin to shooting the messenger who delivers any bad news.

Thirdly, any change initiative could benefit from an influx of energy created by resistance to change, if managed well. When there is a real need for growth and development, the danger from apathy or acquiescence is considered even greater than any resistance to change. Where a workplace is marked by apathy or passivity, implementing change is a very difficult task (Litterer, 1973). With resistance and conflict comes the energy or motivation to seriously address the problem in question (Waddell & Sohal, 1998a). The urge to change is being confronted, under resistance to change, by the need to examine and re-examine in more details that otherwise might have thought unnecessary or even impossible the current problems at hand and the change initiative proposed. Of course, this requires cautious management, and a balance must again be maintained, as asserted by Waddell and Sohal (1998a). Optimal level of resistance to change would provide the element that drives discussion, debate and the search for an increasing number of alternatives to the issues that face the organization (Albanese, 1973). Anything under or over might not lead to that effect.

The utilities perspective of resistance to change thus sounds an alarm on any change effort that is met with little resistance to change. This alarm does echo with Nemeth's (1997) laboring on the benefits of the dissenting minority view. According to Nemeth (1997: 59), "Creativity and innovation may require a 'culture' that is very different and, in a sense, diametrically opposed to that which encourages cohesion, loyalty, and clear norms of appropriate attitudes and behavior". To stimulate major change, one must be removed from any social control manifested in adherence to company rules and expectations. One must feel free to "deviate", to question shared ways of viewing things before creativity happens. Nemeth (1997: 60) therefore argued that: "Minority viewpoints have importance and power, not just for the value of the ideas themselves, but for their ability to stimulate creative thought. Thus one must learn not only to respect and tolerate dissent, but to 'welcome' it. The 'trick' is to balance coordinated group activity with openness to differing views – to create unity in the organization without uniformity." Nemeth is of the view that majority view dominates even when incorrect due to at least two reasons: truth lies in numbers, and fear of disapproval and rejection for being different. Whilst these reasons are having their respective problems in standing to test, they are not baseless. The pressures of "numbers" and "fear of disapproval and rejection" exist among relative strangers, not to mention their coming from one's valued co-workers, colleagues, and bosses. Majority views shape our judgments and behaviors in the way that we not only tend to adopt the majority position, but also tend to convince ourselves the truth of that position by searching and evaluating information in a manner biased for and corroborate with the majority position. The majority perspective then is in danger of being the only perspective to the exclusion of other alternatives. Nemeth (1997:63) observed that: "One of the best documented findings in social psychology is that discussion among like-minded individuals increases both the extremeness of the views and the confidence in them ... They don't just become more 'like' each other; they all become more extreme as well as more alike. Furthermore, people are more likely to *act* on their beliefs after discussion with like-minded individuals". Collinson (1994) is of similar view on the majority views by commenting that conformity or compliant practices often have self-fulfilling effects. If the majority of work colleagues are unwilling to oppose, those who would be aware that their actions do not stand much of a chance to succeed. Collinson (1994: 58) thus concluded: "The conformity or compliance of the many thus frequently disciplines the oppositional practices of the few". And Nemeth (1997: 72) exhorted that "there needs to be a 'welcoming' and not just a tolerating of dissent ... By harnessing the power of conflict, one can limit complacency and even substitute robust thought ... Either way, the group and the organization will profit".

*Proposition 5: Resistance and dissent could serve organizational stability and change at the same time if management could see to the checks and balances they offer.*

### **The Sensitivity of Psychological Contract and Organizational Justice**

One major contemporary conceptualization of resistance to change uses the psychological contract violation and perceived organizational injustice as a platform to comprehend and configure

resistance to change. This brings out much insight when “doing more with less” and “performance beyond expectations” is what we are striving for in organizational transformation.

## **Employer-Employee Exchange Relationships**

Employment relationships are exchange relationships between employer and employee. In the relationship, *mutual obligations* are the central issue which is partly put on record in the written formal contract of employment, but for the most part they are implicit, covertly held and only infrequently discussed (Anderson & Schalk, 1998). Levinson, Price, Munden, Mandl and Solley (1962) posited that the psychological contract is an unwritten contract which is the sum of mutual expectations between the organization and the employee. The mutual expectations are characteristically implicit and unspoken, and frequently antedate the relationship of the employee and the organization. Schein (1965: 11) underpinned this early thinking in psychological contract by stating that: “The notion of a psychological contract implies that the individual has a variety of expectations of the organization and that the organization has a variety of expectations of him. These expectations not only cover how much work is to be performed for how much pay, but also involve the whole pattern of rights, privileges, and obligations between worker and organizations ... Expectations such as these are not written into any formal agreement between employee and organization, yet they operate powerfully as determinants of behavior.”

Noticeably, the expectations and obligations covered in these earlier writings are meant to be mutual, i.e. both parties involved need to be taken into consideration if one is to determine whether there is agreement or disparity of opinion (Anderson & Schalk, 1998). This however poses problems of meeting expectations at different levels, i.e. organizational and individual; and also problems of principals and agents, i.e. who or what represents the organization (Anderson & Schalk, 1998), since any employment contract will likely be signed between the employee and an agent of the organization, where the organization is the principal, and it bumps into the difficulty of defining what is meant by the organization (Guest, 1998). According to Schalk and Freese (1993), an organization can hardly be considered as a uniform set of expectations; rather it is a multiple collective of diverse and differing expectations held by a whole set of actors. These problems lead to Rousseau's (1989, 1990) seminal articles on her unilateral employee-centred psychological contract which, according to Roehling (1997), marks the transition from early to contemporary development of the concept and is frequently referred.

Rousseau (1989: 123) defined psychological contract as follows: “An individual's *belief* regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party. A psychological contract emerges when one party believes that a *promise* of future returns has been made, a contribution has been given and thus, an *obligation* has been created to provide future benefits.” According to Roehling (1997), Rousseau's conceptualization centres on employee's *subjective beliefs at the individual level*. The parties to the contract, the employee and the employer, need not agree. Roehling (1997) opined that the belief mentioned by Rousseau is about “obligations” based on “perceived promises”. Therefore, it is both promissory and reciprocal, and that no one prior to Rousseau (1989) has suggested that perceived promises are the basis for the beliefs that constitute the psychological contract (Roehling, 1997).

## **Violation of Psychological Contract**

According to Rousseau and McLean Parks (1993), psychological contract violations occur when an employee perceives that the organization has failed to fulfill one or more of its obligations comprising the psychological contract. There are two basic causes of such violations: *reneging* and *incongruence* (Morrison & Robinson, 1997; Rousseau, 1995). Reneging occurs when the organization knowingly breaks a promise to the employee, either on purpose or because of unforeseen circumstances. In contrast, incongruence occurs when the employee and the organization have different understandings regarding who has lived up to what promises. Therefore, under incongruence, organization believes that it has lived up to its commitments, but the individual perceives that the organization has failed to keep one or more of its promises.

Schein (1988) warned that violation of a psychological contract is likely to have profound repercussions. McLean Parks and Kidder (1994) were convinced that employees' work behavior would slide from the pro-role relational side of the work behavior continuum to the anti-role transactional side. Employees would withdraw their work commitment and redefine the terms of the broken psychological contract. The early "casualty" would be those organizational citizenship behaviors (Organ 1988). These are role expanding and enhancing behaviors which go beyond role requirements, expected only implicitly if at all, and sourced from a good employment relationship or the goodwill of the employees. These are discretionary behaviors and could be easily reduced or limited by the employees.

The impact of violation of the psychological contract on the transactional obligations would result in different effects from that on the relational obligations, as confirmed in the study by Robinson, Kraatz, and Rousseau (1994). According to Robinson, et al., violations of the transactional terms would primarily create inequity in the economic exchange. Employees would try to restore and maintain that equity between their cost and benefits in the exchange relationships. Increasing and unrewarded demands reduce the benefits an employee receives, prompting in him or her perception of violation. This perceived violation would further be seen as a negative experience that generates also psychic costs for the employee: it may subject the employee to feelings of injustice and betrayal (Rousseau, 1989). To "restore the balance", the employee would attempt to increase perceived entitlements or decrease perceived obligations, or both.

Violations affecting relational obligations have a different impact. Robinson, et al. (1994) confirmed that it would change the very nature of the social relationship in which relational terms are embedded, and hence decreasing their inherent value. Socio-emotional concerns like trust and beliefs in good faith and fair dealing (MacNeil, 1985) are crucial to relational obligations. When violations of this type occur, these socio-emotional concerns get eroded, thus nullifying the relational obligations. Employees experiencing such violations would no longer want a long-term relationship with the employer, and hence no longer feel the employer is obligated to provide job security or personal support. To "even the score", the employee would become less obligated to be loyal or willing and ready to perform their duties and responsibilities beyond expectations, i.e. withdraws and withholds any pro-role behaviors.

Robinson, et al. (1994) found that violations of a relational nature are most damaging. For transactional ones, the mere inequity may still be resolved by adjusting transactional balance between inducements and contributions between two parties; for relational violations, it may destroy the employment relationship itself to an extent that is often irreparable. This observation was further reaffirmed in a similar study of Robinson (1996) on organizational trust and violation. Findings supported that when violated trust was perceived, the psychological contract could not be easily rectified or repaired by simply correcting unmet expectations, and not even promotions or pay rises were able to counteract the negative effects. Robinson, et al. (1994: 149) concluded that: "However, although violation decreases relational obligations, the absence of violation may sustain them. This finding suggests that commitment to an organization is intertwined with maintaining a relationship of consistency and good faith". This serves a good guidance in the management of change, the understanding of resistance to change, and the tapping of energy from resistance to change.

*Proposition 6: Resistance to change would only become entrenched if relational obligations like mutual trust and goodwill was damaged; and violations of the psychological contract do just that.*

### **Perception of Organizational Injustice**

The organizational justice theory of Greenberg (1990a) postulates that employees' cognitive responses to explain and understand the effects of change on themselves affect their acceptance of change, and thus exercising a mediating effect on resistance to change. According to McLean Parks and Kidder (1994), justice research has focused on two forms of justice, namely *distributive*

(Adams, 1965) and *procedural* (Thibaut & Walker, 1975). More recently, *interactional* justice (Bies, 1987) also emerged, but *retributive* justice is relatively lagging a bit behind in getting attention.

Distributive and retributive justice are concerned with the fairness of allocation and *outcome*, and are therefore more associated with transactional obligations on pecuniary and self-interest concerns. According to Hogan and Emler (1980), distributive justice focuses more on the positive side of allocation or what one has been *given*, i.e. “did I receive my fair share?” Whilst retributive justice focuses more on the negative side of allocation or what one has been *taken away*, i.e. “what can I take to even the score?” The power inequalities or asymmetries between the employer and employee affect the relative importance of this respective form of justice in the employment relationship. Power dictates the distribution of outcomes; but “a fair day’s work for a fair day’s pay” is nevertheless important in the perception of the relatively powerless employees. Distributive injustice through pay cuts has consistently been found to predict reductions in effort and employee theft (Greenberg, 1990b, 1993), in attempts to restore fairness. On the other hand, whilst power still dictates outcome, retributive justice sees that “everyone suffers equally”; if not, the justice is to “get even”, to punish the violator. McLean Parks and Kidder (1994) were of the view that when distributive justice is found to be lacking, employees would go and assess for retributive justice to even the score. This is where the mediating role comes on stage in change management and in resistance to change.

The other two forms of justice, i.e. procedural and interactional, focus on the *process* of change rather than the outcome of it; and bear particular significance on relational obligations. McLean Parks and Kidder (1994: 127) opined that: “Process, in and of itself, implies longer commitments and an unfolding or a progression over time, necessarily embedding these forms of justice in the relational contract”. It emphasizes considerations beyond those addressed by distributive justice in transactional terms. According to McLean Parks and Kidder (1994), procedural justice focuses on the procedure used to reach decisions about outcomes which is seen as fair (Lind & Tyler, 1988). Therefore, the perceived fairness in the decision making process is what it counts, and it could even override fairness in the outcomes (Lind & Tyler, 1988). On the other hand, interactional justice concerns more with the manner when the actual procedures are being implemented, i.e. whether the manner exhibited has shown the due respect and protect the due dignity of the parties involved. Under the usual power asymmetry in organization, i.e. the terms of employment is often dictated more by the management than by the employees, if distributive injustice is apparent, procedures then become important. The employees as contract takers would find them unable to directly affect the procedures, and therefore must see them as fair and just in order to trust the imposed outcomes (McLean Parks & Kidder, 1994). If found mistreated in the procedure, therefore interactional injustice perceived, the employees would assess potentials for retributive justice.

McLean Parks and Kidder (1994) arrived at two obvious conclusions. Firstly, when injustice is perceived in the relational contract, the contract may become more transactional, and work behaviors would become less pro-role to more anti-role, mitigated or exacerbated by perceptions of justice. Secondly, if there is more than one form of distributive, procedural, or interactional justice found lacking, the results are likely to be cumulative and the reactions (i.e. resistance to change in this context) more pronounced. The situation would only be resolved when either justice is obtained or when retribution sought; and pronounced retribution behaviors might include extreme anti-role ones like sabotage and aggression. On this work behavior continuum, “employees may choose to contribute” (McLean Parks & Kidder, 1994: 131). These conclusions are further resonated by the study of Brockner, Chen, Mannix, Leung, and Skarlicki (2000) on culture and procedural fairness. They strongly argued that employees respond both to what happens and to how things happen, and that “outcome favorability” and “procedural fairness” indeed combine interactively to influence employees’ work attitudes and behaviors. “The effects of what you do depend on how you do it” (Brockner et al., 2000: 138). Being procedurally fair is more able to gain more trust from your employees who would then be more ready and willing to display organizational citizenship behaviors. This, or the reverse of it, is particularly pronounced if the employees concerned are from the culture wherein people develop relatively more interdependent self-construal (i.e. people see themselves as connected to others) rather than independent self-

construal (i.e. people see themselves as distinct from others) (Brockner et al., 2000: 153). And consistent results of such emerged across all three different studies taken by these researchers.

*Proposition 7: The careful crafting and administration of organizational justice in steering change would alleviate change survivors' resistance to change and even spur them to contribute their best possible.*

## **DISCUSSION**

Researches on resistance to change are ample in witnessing employees resisting change despite their subordinate and insecure organizational position. Dissatisfaction, disenchantment, and frustration pervade the lives of many employees in contemporary organizations, and resistance remains a persistent, significant and remarkable feature inside these organizations (Collinson, 1994).

### **Underlying Thesis: The Flair Lies with the Employees**

From the previous exploration on various conceptualizations of resistance to change, we come to understand that despite decades of downsizing, reengineering, and massive layoffs, those surviving employees, though apparently caught on the down side of the organizational power asymmetry with employment terms dictated to them, could still be “free” to *move* along quite substantially on the “work behavior continuum” (McLean Parks & Kidder, 1994), particularly on those areas composed of discretionary pro-role organizational citizenship behaviors (Organ, 1988). Employees could still be “free” to *subjectively* assess, perceive, and re-negotiate on the transactional-relational continuum of their respective psychological contract (Rousseau & McLean Parks, 1993), and to seek retributive justice as they see fit so as to even scores inflicted by any perceived violations. Their apparent powerless facade has in fact accounted for as high a failure rate as 70% of all major business process reengineering efforts (CSC Index, 1994), with resistance to change being listed at the top (scoring 82%) of the ten major barriers for business process reengineering success (Deloitte & Touche, 1995).

As exhorted by many researchers, resistance to change needs to be understood more from the employee's perspective than simply from the management. An employee-centred perspective treats the worker less as a production factor and more as a human one *per se* in the contribution to the success of an organization. Being human, employees defend, construct realities, process knowledge and emotions, and go through cycle of negative responses before they are prepared to change. Of equal importance, employees also experience ambivalence to change, and their resistance is often non-polarized. The velocity of change, the technical imperative of change, and the constancy of change experienced in recent decades in organizational life might just be something too stressful and disorientating for any average human worker to bear. Resistance to change should then be understood more as a natural organizational behavior arising out of major, constant, and top-down change initiatives with little or even without the involvement from, or full knowledge of, the employees.

Organizational change and transformation would stand a much better chance scoring success if resistance to change is to be foreseen, respected, embraced, and worked with; particularly if the downsizing survivors are treated as assets valued to help achieving any transformational endeavors the organization has embarked upon. Some of the “best and brightest” workers might have in one way or another left the organization in the course of successive restructuring, downsizing, or reengineering. Being the best and brightest, their leaving might possibly not be in the naive sense of being redundant; on the contrary, they might just be as valued an organizational asset, only ended up seeking retributive justice in cutting commitment and decreasing loyalty in the highest order: exit the organization. “Resistance is not something to fight against; it is something to be worked with” (Goldstein, 1988: 26). Conceptualization of the utilities of resistance to change and the minority viewpoints gives testimony to this metaphor.

### **Limitation: Confinement of Individual Level of Analysis**

The limitation of the aforesaid thesis falls on its being confined to the individual level of analysis. The lens of focus was put mainly on individual's spontaneous and informal responses to major changes or transformation of organization; and such responses were taken as largely unorganized in the sense that rationally organized strategic planning and instrumental calculation (Collinson, 1994) was not involved. Therefore, the bearings of industrial action, trade unionism, institutional bargaining, class struggles, and power conflicts in organization, etc. which indeed greatly influence individual employees and organization behaviors, are not mapped into the discussion of this paper.

However, it is important to take note of the structural change and jobless recovery in our current and future economy. Not only our organizations are getting more flattened and labors forced to become more skilled and multi-skilled, the "wage share", i.e. the percentage of national income that get paid out in wages, has also been flat or declining across the developed world for most of the past two decades according to the Organization for Economic Cooperation and Development (OECD, 2004). This results in poor negotiating climate for labor, and "for decades, labor unions in Western Europe and the United States have watched their ranks plummet" (Knox, 2004: 1B), and trade unionism and industrial action has lost a lot of ground in the overall organizational power balance. The number of manufacturing jobs which used to be the backbone of unions has steadily declined, whilst that of white-collar, part-time, and casual workers have steadily increased, and they are less likely to form any strong unions. Guest (1998: 659), when commenting on whether there is a case for taking Rousseau's unilateral conceptualization (i.e. from the employees' perspective) on psychological contract seriously, stated that "It captures the spirit of the times" because it "views the employee as a rugged independent individual offering knowledge and skills through a series of transactions in the labor market". Guest is of the view that we now live in an era of employment relations rather than industrial relations, where most people at work do not have the protection and representation of a trade union. Thus the individualizing strand of Rousseau draws the much needed attention in the employment relationships. This notion is of particular significance to those organizations in which the employees are highly skilled or knowledge workers whose contributions directly affect the survival and competitiveness of the organization. The individual level of analysis here then would likely become more a mainstream analysis than otherwise.

### **Management Implications: New Era Demands New Management Model**

It is often the case where management of an organization would spend strenuous time and effort in the planning of change and transformation to stay ahead and thrive. This priority has taken up management so much time and effort as if "trifles" like resistance to change worth no more serious attention than what is already given. The classical management mentality towards resistance to change probably accounts for much of the passivity in this respect, and job insecurity during economic downturns simply reinforces and pushes it further. And there currently appears to be no pressing need to revamp anything at all in this respect.

Kilduff and Dougherty (2000) in their re-visiting the classics to shed light on change and development in a pluralistic world gave this advocacy for management revamp a good shot. Change and pluralism as "threats" as enshrined in the classical writings of March and Simon's (1958) *Organizations* now looks out of place and is to be engaged with active critique. Change and pluralism as "opportunities", on the other hand, could be spotted in the classical writings of Burns and Stalker's (1961) *The Management of Innovation*, which challenged us to build change into the very fabric of organization, to constantly search for new techniques and routines, and to take ideas from the environment if we are to survive in a changing environment. This classics enlarges our theoretical alternatives as put by Kilduff and Dougherty. However, what is most importantly revealed in the re-visiting is that change and pluralism is actually an "intrinsic aspects of management" in Thompson's aptly named *Organizations in Action* (1967). It simply declared that coping with uncertainty is management's major task; any coalitions are in process, conflicts are inevitable, and "superb" politicians are needed to mediate differences in, and to prevent

immobilization of the organization. Kilduff and Dougherty (2000) described such startling management as a kind of “roller coaster ride” (2000:781). This writings indeed continue to shape the world we live in.

The management perspective postulated here therefore is the exact opposite of what is generally current. The analogy is akin to the previous transformation of management perspective from “personnel management” to “human resources management” – the change is structural and market-driven. In both public and private organization, change is now definitely recurrent and almost constant, and the success of change rests with, among other things, the extra devotion of your employees to do more with less and to perform their very best under often extremely worst-off working conditions. This kind of devotion would not come forth under duress; even if it does it would not be for long. What management could do is to take a revamp on what they have been doing about resistance to change, and how to uplift the change survivors to perform even beyond their own expectations at a time when they are needed most. The strategic pivotal point lies with priming the flair of resistance to change from the employees’ perspective. There is ample room of maneuvering in tapping the pulse of the employees in devising, steering, and leading change, and much of them are untouched territories. Resistance to change management should become an integral part of the overall change and human resources management, with the designation of special management agenda, the formation of special task force, the deliberation of special communication mechanism, the establishment of special counseling unit, coaching session, and staff development and training programs to facilitate both the leading and following of changes. The exact pitch “resistance to change management” to be positioned on the overall management priority is of course circumstantial, but definitely it deserves much more serious deliberation. In a nutshell, the theoretical model for management to embed resistance to change towards organizational success is summarized in the following table.

-----  
Table 1 about here  
-----

Organizations are trimmed. When the employees inside are getting more skilled and knowledge based, their individual and collective contributions to organizational success relative to physical assets help tipping the balance of organizational power in their favor as valuable employees (Leana & Rousseau, 2000). The call for sharing ownership privileges with these valuable employees to boost organizational competitive edge (Rousseau & Shperling, 2003) is another testimony of this employee-centred management perspective. New era necessitates new management.

## **RESEARCH AGENDA**

There are at least two lines of research apparent at this juncture in time. One is to justify with empirical data our theoretical model based on the respective aforementioned propositions. The other is to search for synergistic partnership in terms of management ideology to consolidate the chance of success in change.

### **Empirical Research on the Flair of Resistance to Change**

Although research on resistance to change could be dated as far back as to the 1940s (Coch & French, 1948), specific studies on “pluralism” in the workplace and on “subjectivity” of the employees in relations to change and to resistance to change is relatively recent and rare. Empirical evidences still have to be further documented to establish:

- whether the intake of resistance to change as not exactly resistance to change *per se* at the start but as some natural human responses helps putting both the management and the employees to act more in unison for change;

- whether locating resistance to change more in employees' background conversation and socially constructed realities helps management deciphering the actual distance of its reality from that of the employees', and also whether it helps in differentiating complacency from resignation and cynicism as the characteristics of the resistance-giving background so as to tackle resistance to the point;
- whether the grasping of people's cognition and affect on negative change by management helps in tuning the timing, magnitude, and steps in the initiation of change, and also whether it helps reacting to the responses of employees in their primary and secondary cognition appraisal and affect formation;
- whether the grasping of people's ambivalence and non-polarization on resistance to change helps management to tackle resistance to change timely and proactively to avoid any unnecessary misunderstanding and discourses;
- whether there exists any utilities of resistance to change as a stabilizer of change to help management in achieving better overall changes;
- whether the restrained tempering of relational employment exchange helps management to retain pro-role work behaviors among change survivors, and
- whether meticulous attention in the administration of organizational justice helps management to retain pro-role work behaviors among change survivors.

### **Empirical Research for Synergistic Management Ideology**

In the quest for "doing more with less", resistance to change management at its best only serves as the "pull" factor in quelling resistance from within the employees. It will take another "push" factor to motivate employees to perform their very best even when they are subjected to harsher conditions of work and pay. The postulation here is that synergy would arise when the priming of both these "push" and "pull" factor is at work, and the quest would then be much better fulfilled. Transformational Leadership appears to be a plausible candidate for this "push" ideology.

Yukl (1998: 325) stated that transformational leadership is defined "in terms of the leader's effect on followers: they feel trust, admiration, loyalty, and respect toward the leader, and they are motivated to do more than they originally expected to do". This resonates well with the quest of "doing more with less". As interpreted by Yukl (1998), transformational leaders transform and motivate followers by making them more aware of the importance of task outcomes, by inducing them to transcend their own self-interest for the sake of the organization or team, and by activating their higher-order needs. The search for synergy might just come from such leadership, and empirical research is much needed here.

## REFERENCES

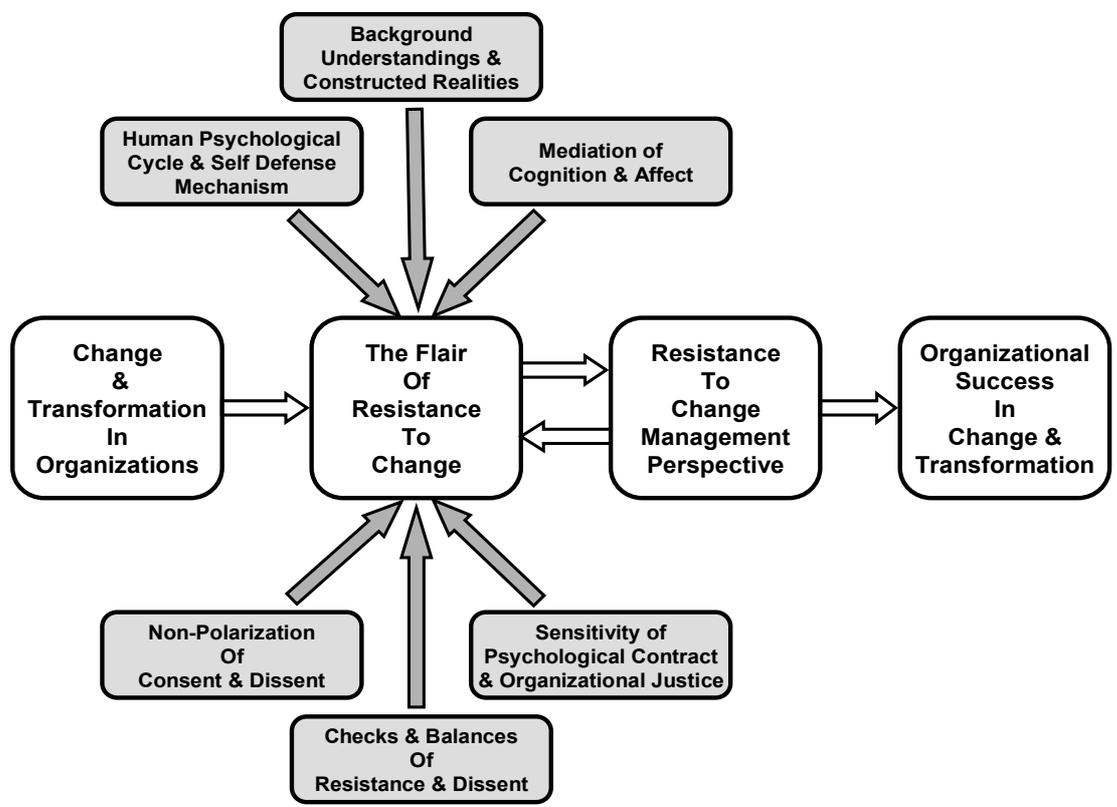
- Adams, J. S. 1965. Inequity in social exchange. In Berkowitz, L. (Ed.), *Advances in experimental social psychology*: Vol. 2. New York: Academic Press.
- Ajzen, I. 1984. Attitudes. In Corsini, R. J. (Ed.), *Wiley encyclopedia of psychology*: Vol. 1, 99-100. New York: Wiley.
- Albanese, R. 1973. Overcoming resistance to stability. In Bartlett, A. & Kayser, T. (Eds.), *Changing organizational behavior*: 410-422. Englewood Cliffs: Prentice Hall.
- Altorfer, O. 1992. How can we help one worker. *Journal for Quality and Participation*, 15 (4): 88-93.
- Anderson, N. & Schalk, R. 1998. The psychological contract in retrospect and prospect. *Journal of Organizational Behavior*, 19 (S1): 637-647.
- Andrews, G., Singh, M. & Bond, M. 1993. The defense style questionnaire. *The Journal of Nervous and Mental Disease*, 181(4): 246-256.
- Bartlett, A. & Kayser, T. 1973. *Changing organizational behavior*. Englewood Cliffs: Prentice Hall.
- Beer, M. & Walton, A. E. 1987. Organization change and development. *Annual Review of Psychology*, 38: 339-367.
- Bemmels, B., & Reshef, Y. 1991. Manufacturing employees and technological change. *Journal of Labour Research*, 12 (3): 231-246.
- Berger, P. & Luckmann, T. 1966. *The social construction of reality*. New York: Anchor Books.
- Bies, R. 1987. The predicament of injustice: the management of moral outrage. In Cummings, L. & Staw, B. (Eds.), *Research in organizational behavior*: 83-99. Greenwich: JAI Press.
- Bond, M. P. 1995. The development and properties of the defense style questionnaire. In Conte, H.R. & Plutchik, R. (Eds.), *Ego defenses: theory and measurement*, 202-220. New York: John Wiley & Sons.
- Bovey, W. H. & Hede, A. 2001. Resistance to organizational change: the role of defence mechanism. *Journal of Managerial Psychology*, 16 (7): 534-548.
- Brief, A. P., Butcher, A. H. & Roberson, L. 1995. Cookies, disposition, and job attitudes: the effects of positive mood-inducing events and negative affectivity on job satisfaction in a field experiment. *Organizational Behavior and Human Decision Processes*, 62(1): 55-62.
- Brief, A. P. & Weiss, H. M. 2002. Organizational Behavior: Affect in the Workplace. *Annual Review of Psychology*, 53: 279-307.
- Brockner, J., Chen, Y. R., Mannix, E. A., Leung, K., & Skarlicki, D. P. 2000. Culture and procedural fairness: when the effects of what you do depend on how you do it. *Administrative Science Quarterly*, 45(1): 138-159.
- Burns, T. & Stalker, G. M. 1961. *The management of innovation*. London: Tavistock.
- Coch, L. & French, J. R. P., Jr. 1948. Overcoming resistance to change. *Human Relations*, 1 (4): 512-532.
- Coghlan, D. 1993. A person-centred approach to dealing with resistance to change. *Leadership & Organization Development Journal*, 14 (4): 10-14.
- Collinson, D. 1994. Strategies of resistance: power, knowledge and subjectivity in the workplace. In Jermier, J. M., Knight, D. & Nord, W. R. (Eds.), *Resistance and power in organizations*: 25-68. London: Routledge.
- Conner, D. R. 1998. *Managing at the speed of change: how resilient managers succeed and prosper where others fail*. Chichester: John Wiley & Sons.
- CSC Index, 1994. *State of re-engineering report, North America and Europe*. London: CSC Index.
- de Board, R. 1978. *The psychoanalysis of organizations*. London: Tavistock.

- de Board, R. 1983. *Counselling skills*. Aldershot: Gower Publishing.
- Deloitte & Touche. 1995. *Seventh annual survey of North American CIOs*. Deloitte & Touche LLP.
- Dening, P. 1996. Doyen of downsizing: an interview with Charles Handy. *The Irish Times*, pp. 1-4.
- Dent, E. B. & Goldberg, S. G. 1999. Resistance to change: a limiting perspective. *The Journal of Applied Behavioral Science*, 35 (1): 45-47.
- Ellis, A. & Harper, R. A. 1975. *A new guide to rational living*. North Hollywood: Wilshire Book Company.
- Ford, J. D., Ford, L. W., & McNamara, R. T. 2002. Resistance and the background conversations of change. *Journal of Organizational Change Management*, 15 (2): 105-121.
- Foroohar, R., & Emerson, T. 2004. A Heavier Burden. *Newsweek*. August 23: 39-43.
- Goldstein, J. 1988. A far-from-equilibrium systems approach to resistance to change. *Organizational Dynamics*, 17 (2): 16-26.
- Golembiewski, R. T., Billingsley, K. & Yeager, S. 1976. Measuring change and persistence in human affairs: types of change generated by OD designs. *Journal of Applied Behavioral Science*, 12: 133-157.
- Greenberg, J. 1990a. Organizational justice: yesterday, today and tomorrow. *Journal of Management*, 16: 399-432.
- Greenberg, J. 1990b. Employee theft as a reaction to underpayment inequity: the hidden costs of paycuts. *Journal of Applied Psychology*, 75: 561-568.
- Greenberg, J. 1993. Stealing in the name of justice. *Organizational Behavior and Human Decision Processes*, 54: 81-103.
- Groshen, E. L., & Potter, S. 2003. Has structural change contributed to a jobless recovery? Federal Reserve Bank of New York, *Current Issues in Economics and Finance*, 9 (8), August.
- Guest, D. E. 1998. Is the psychological contract worth taking seriously. *Journal of Organizational Behavior*, 19 (S1): 649-664.
- Hedberg, B., Nystrom, P. & Starbuck, W. 1976. Camping on seesaws: prescriptions for a self-designing organization. *Administrative Science Quarterly*, 21 (1): 41-65.
- Hogan, R. & Emler, N. 1980. Retributive justice. In Lerner, M. & Lerner, S. (Eds.), *The justice motive in social behavior: adapting to times of scarcity and change*: 125-143. New York: Plenum Press.
- Hultman, K. 1998. *Making change irresistible: overcoming resistance to change in your organization*. Palo Alto: Davies-Black Publishing.
- Johnson, P. 1988. Why I race against phantom competitors. *Harvard Business Review*, 66 (5): 105-112.
- Kilduff, M. & Dougherty, D. 2000. Change and development in a pluralistic world: the view from the classics. *Academy of Management Review*, 25(4): 777-782.
- Knox, N. 2004. Unions begin to struggle in Europe. *USA Today*, November 11: Money 1B.
- Leana, C. R., & Rousseau, D. M. 2000. *Relational wealth: The advantages of stability in a changing economy*. New York: Oxford University Press.
- Levinson, H., Price, C. R., Munden, K. J., Mandl, H. J. & Solley, C. M.. 1962. *Men, management and mental health*. Cambridge: Harvard University Press.
- Lind, E. & Tyler, T. 1988. *The Social Psychology of Procedural Justice*. New York: Plenum Press.
- Litterer, J. 1973. Conflict in organization: a reexamination. In Rowe, L. & Boise, B. (Eds.), *Organizational & managerial innovation*: 151-158. Santa Monica: Goodyear.

- MacNeil, I. R. 1985. Relational contract: what we do and do not know. *Wisconsin Law Review*, 1985: 483-525.
- March, J. G. & Simon, H. A. 1958. *Organizations*. New York: Wiley.
- Martin, P. 1991. Loud enough bark, precious little bite. *Accountancy*, 107 (2): 24.
- Matlin, M. W. 1995. *Psychology*. Fort Worth: Harcourt Brace.
- McLean Parks, J. M. & Kidder, D. L. 1994. Till death us do part...changing work relationships in the 1990s. *Trends in Organization Behavior* (Supplement of *Journal of Organizational Behavior*), 1: 111-136.
- Morrison, E. W. & Robinson, S. L. 1997. When employees feel betrayed: a model of how psychological contract violation develops. *Academy of Management Review*, 22 (1): 226-256.
- Nemeth, C. J. 1997. Managing innovation: when less is more. *California Management Review*, 40 (1): 59-74.
- Nichols, N. 1993. From complacency to competitiveness: an interview with Vitro's Ernesto Martens. *Harvard Business Review*, 71 (5): 162-171.
- OECD. 2004. *OECD Employment Outlook 2004*. Paris: Organization for Economic Co-operation and Development.
- Organ, D. W. 1988. *Organizational citizenship behavior: the good soldier syndrome*. Lexington: Lexington Books.
- Paterson, J. M. & Hartel, C. E. J. 2000. Explaining employees' responses to large scale organizational change: an integrated model of key affective and cognitive factors. Working Paper 90/00, *Monash University Faculty of Business and Economics*, Melbourne.
- Piderit, S. K. 2000. Rethinking resistance and recognizing ambivalence: a multidimensional view of attitudes toward an organizational change. *Academy of Management Review*, 25 (4): 783-794.
- Plutchik, R. 1994. *The Psychology and biology of emotion*. New York: Harper Collins College Publishers.
- Roach, S., & Berner, R. 2004. Global: Debating the jobless recovery. Morgan Stanley, *Global Economic Forum*, January 30.
- Robinson, S. L. 1996. Trust and breach of the psychological contract. *Administrative Science Quarterly*, 41 (4): 574-599.
- Robinson, S. L., Kraatz, M. S., & Rousseau, D. M. 1994. Changing obligations and the psychological contract: a longitudinal study. *Academy of Management Journal*, 37 (1): 137-152.
- Roehling, M. V. 1997. The origins and early development of the psychological contract construct. *Journal of Management History*, 3 (2): 204-217.
- Rousseau, D. M. 1989. Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal*, 2: 121-139.
- Rousseau, D. M. 1990. New hire perspectives of their own and their employer's obligations: a study of psychological contracts. *Journal of Organizational Behavior*, 11: 389-400.
- Rousseau, D. M. 1995. *Psychological contracts in organizations: understanding written and unwritten agreement.*, Thousand Oaks: SAGE Publications.
- Rousseau, D. M., & McLean Parks, J. 1993. The contracts of individuals and organizations. In Cummings, L. L. & Staw, N. M. (Eds.), *Research in Organizational Behavior*: 1-43. Greenwich: JAI Press.

- Rousseau, D. M., & Shperling, Z. 2003. Pieces of the action: ownership and the changing employment relationship. *The Academy of Management Review*, 28 (4): 553-570.
- Russell, J. A. 1980. A circumplex model of affect. *Journal of Personality and Social Psychology*, 39: 1161-1178.
- Schalk, R. & Freese, C. 1993. Het psychological contract. *Instroom van Personeel*, 1 (4): 67-82.
- Schein, E. H. 1965. *Organizational psychology*. Englewood Cliffs: Prentice Hall.
- Schein, E. H. 1988. *Organizational psychology*. Englewood Cliffs: Prentice Hall.
- Schlesinger, H. J. 1982. Resistance as process. In Wachtel, P. L. (Ed.), *Resistance: psychodynamic and behavioural approaches*: 25-44. New York: Plenum Press.
- Shotter, J. 1993. *Conversational realities: constructing life through language*. London: SAGE Publications.
- Thibaut, J. & Walker, L. 1975. *Procedural justice: a psychological analysis*. Hillsdale: Erlbaum.
- Thompson, J. D. 1967. *Organizations in action: Social science bases of administrative theory*. New York: McGraw-Hill.
- van der Erve, M. 1990. The power of tomorrow's management. *Management Decision*, 28 (7): 55-63.
- Vince, R. & Broussine, M. 1996. Paradox, defense, and attachment: accessing and working with emotions and relations underlying organizational change. *Organization Studies*, 17: 1-21.
- Wade, C. & Tavris, C. 1996. *Psychology*. New York: HarperCollins.
- Waddell, D. & Sohal, A. S. 1998a. Resistance: a constructive tool for change management. *Management Decision*, 36 (8): 543-548.
- Waddell, D. & Sohal, A. S. 1998b. Manufacturing manager's perceptions of resistance to change: an empirical study. Working Paper 67/98. *Monash University Faculty of Business and Economics*, Melbourne.
- Watson, D., Clark, L. A. & Tellegen, A. 1988. Development and validation of brief measures of positive and negative affect: the PANAS scales. *Journal of Personality and Social Psychology*, 54: 1063-1070.
- Watzlawick, P. (Ed.), 1984. *The invented reality: how do we know what we believe we know?* New York: W. W. Norton.
- Weick, K. 1979, *The Social Psychology of Organizing*. Boston: Addison-Wesley.
- Weiss, H. M. & Cropanzano, R. 1996. Affective events theory: a theoretical discussion of the structure, causes and consequences of affective experiences at work. *Research in Organizational Behavior*, 18: 1-74.
- Yukl, G. 1998. *Leadership in Organizations* (4th Ed). New Jersey: Prentice Hall.

Figure 1: Embedding Resistance to Change towards Organizational Success



**Table 1: Embedding Resistance towards Organizational Success**

<b>Phase of Organizational Change</b>	<b><i>Employees</i></b>	<b><i>Management</i></b>
1) Initialization prior actual implementation	<ul style="list-style-type: none"> <li>a) Emergence of human psychological cycle and self-defense mechanism</li> <li>b) Setting in of background understandings &amp; constructed realities</li> </ul>	<ul style="list-style-type: none"> <li>a) Allowance of &amp; restraint for reasonable natural play of psychological cycle and self defense</li> <li>b) Tapping the pulse of employees &amp; put right the understandings and realities</li> </ul>
2) First phase/announcement of implementation	<ul style="list-style-type: none"> <li>a) Lingering of psychological cycle &amp; self defense</li> <li>b) Mediation of Cognition &amp; Affect</li> <li>c) Non-polarization of consent &amp; dissent</li> <li>d) Emergence of minority views &amp; dissent</li> </ul>	<ul style="list-style-type: none"> <li>a) Concrete management actions to help going through cycle &amp; to counteract self defense</li> <li>b) Preemptive measures to put in proper change perspective prior employees' formation of any secondary cognitive appraisal</li> <li>c) Optimize this non-polarization juncture to tune in proper change perspective</li> <li>d) Deliberate utilities offered from these checks &amp; balances for fine tuning</li> </ul>
3) Subsequent phases of implementation	<ul style="list-style-type: none"> <li>a) Possible repeated occurrences of above</li> <li>b) Vigilance on violation of psychological contract &amp; organizational justice</li> </ul>	<ul style="list-style-type: none"> <li>a) "Roller coaster ride" management along the path of change</li> <li>b) Careful crafting &amp; maintenance of relational obligation, particularly mutual trust &amp; goodwill, &amp; prudent administration of distributive &amp; procedural fairness</li> </ul>