Organizational Change Success: A brief analysis of some Romanian endeavours

VOICA Orlando-Marian[1]

[1] *Bucharest University of Economic Studies, Romana Square, Bucharest, Romania*
orlandovoica@yahoo.com

Abstract

Change is perceived as a tool to adapt an organization to or to take benefit of the continuously-developing environment. While researchers and practitioners agree that organizational change should become a common element in the organizational life, evaluating the success of a change endeavour is subject to various challenges.

Regardless the initiating trigger of change (emergency or opportunity), the organizational change is perceived as a process that reflects a project management approach. Therefore, its' success is evaluated through the elements of the "iron triangle of the project management", also known as The Triple Constraints of Project Management: scope, budget, and schedule. If any of them is missing, then change success is doubtful. The change assessment through these elements is important for change-leader and the implementation team.

Our endeavour aims to analyse changes within a number of 126 organizations in Romanian to identify the characteristics / specification of the organizational change success, clarifying features that can be used in the planning of organizational changes.

Keywords: Organizational change, change success, implementation schedule, budget, proactive organizations, reactive organizations.

1. Introduction

In recent decades, the notion of change and the associated processes have gained great importance in specialized studies, especially due to the benefits of organizational change to organizational performance. In a dynamic world, organizations have to continuously initiate changes in their quest to survive and grow. Armenakis and Harris (2009) put emphasis on the fact that the rate of change occurrence has grown continuously in organizations.

Organizational change has various definitions. While some authors analysed change by comparing the state of affairs in the past or desired in the future with current situation, Struckman and Yammarino (2003) defined organizational change as "a managed system or process and / or behavioral response over time to a triggering event". According to March (1981), organizational change is "a package of solutions from different parts of an organization that responds to different interconnected parties, including the environment."

Researchers who investigated the subject of organizational change faced various challenges related to definition, processes, as well as success of this kind of endeavours. These elements are usually related to organizational level of change activity, process of initiating and implementing change, change occurrence, change preparation, duration, depth of change or organizational barriers to implementation (Appelbaum et al., 2018).

From the point of view of initiating organizational changes, there are two types of changes: reactive and proactive. Reactive change involves a reactive behaviour to responds to immediate symptoms, being determined by the need to adapt to internal or external conditions of organization. On the other hand proactive change is initiated by an organization to prevent the occurrence of a crisis and to get a competitive advantage. It indicates a proactive behaviour of the organization.

Organizational change success is influenced by communication that shape trust and employees' commitment attitudes toward change. Planning the implementation of an organizational change should consider the perspective of the individuals (Reis and Peña, 2001), their attitudes being important in achieving the considered goals of an organizational change initiative (Choi, 2011). Ming-Chu and Meng-Hsiu (2015) highlighted that the success of any change is liable to the openness and the desire of employees to get involved and to continually support it.

Although researches has delved into topics such as customer satisfaction and the achievement of a project's strategic objectives, most researchers consider the success of the change in terms of its implementation. By associating organizational change with the specific elements of project management, they reveals specific views on procedures and processes for resolving the challenges of change, while endorsing the maintenance of short-term operational capacity and its long-term expansion.

An organizational change is usually a formal, planned process (Blumberg et al., 2019). Therefore, it is perceived as an endeavour revealed through a project management approach. Projects are recognized as ways of developing business and capitalizing on opportunities in a rapidly changing market environment (Söderlund & Tell, 2011). Projects are always assessed on the basis of the achievement of specific objectives for each of the following categories: purpose, cost and allocated range (Baccarini, 1999; de Witt, 1988). Achieving the results planned at the agreed time and cost was one of the main concerns for project managers from the 1960s to the 1980s (Ika, 2009).

Traditionally, the success of a project is associated with the achievement of quality, time, and cost objectives (the "iron triangle of project management"). The clear objectives and purpose represent the essential elements of the project, including that of organizational change. The managerial tool used to achieve these objectives - project management - balances the various trade-offs between time, cost and performance, in order to ultimately satisfy customers (Erik & Clifford,

2011). Achieving the objectives is the essential condition for evaluating the success of a project (Zwikael and Smyrk, 2012) and from the "traditional" view of project management, over-budgeting and over-scheduling are not acceptable (Atkinson, 1999).

However, there are many situations when an organizational change is ad hoc and informal (Blumberg et al, 2019). Even though this emergent change is not a once off event, but ongoing and unpredictable (Burnes, 2009), and, therefore, despite the lack of planning, the change-leaders also focus on the cost-time-objective triad of project management performance measurements (Müller & Turner, 2007).

While most researchers emphasize the need to measure the achievement of goals, budget and pre-set time, practitioners emphasize the need to measure both the effects of change and the level of achievement of change.

The success of an organizational change project aimed at preserving or developing organizational competitiveness is a multidimensional construct (Shenhar and Dvir, 2007) and different stakeholder groups have their own perceptions of it (Davis, 2014). Focusing on achieving performance measures within the characteristic triangle of the project (cost, time and scope) creates a simplistic, “exit-oriented” mentality (Chih & Zwikael, 2015) that is insufficient to judge the success of a project (Samset, 2009). Shenhar & Dvir (2007) emphasize that the focus of change managers on the objective, budget, time to the detriment of the elements that ensure the fulfilment of project goals and the satisfaction of project clients / sponsors, may leave the last ones dissatisfied.

Rosembaum et al. (2018) summarizes various procedural, structured and successive activities of a change endeavour, previously developed researchers and practitioners, while Pettigrew (1985) emphasizes the contextual approach to change, combining content, context and process. Through the elements highlighted by them, change (and also its success) should therefore be analyzed on several levels: change in terms of content (what is changed), process (how it changes) or context (why change is necessary). It can be also evaluated through the actions, reactions and interactions between different elements. Hence, the success of an organizational change can be evaluated both as a reflective or formative construct (Rolstadås et al., 2014).

The diversity of organizational changes and the multitude of their characteristics encountered in the literature make difficult to develop a unique definition of the change success. However, clear foundations for measuring the success of change are extremely important for the successful adaptation of the organization to the requirements of stakeholders: customers, employees, shareholders.

In this sense, our research represents a brief analysis of some organizational change endeavours manifested in Romanian organizations, with the aim of raising awareness of the elements

by which the success of organizational change is assessed. The results of the research can contribute to the awareness of the deficiencies in setting targets regarding the success of the change and can be used in the planning of future organizational changes.

2. Methods

We used for this study the approach from a previous study (Voica, 2017). In April 2022 we requested to change executives, managers and consultants that were directly involved and had extensive knowledge about the processes and results of an organizational change initiative within a Romanian organization to provide answers to an on-line questionnaire.

The questionnaire accepted only full-completed responses, avoiding non-response bias. All variables are based on Likert-type scales with five intervals. To reach our target we used the snow-ball approach by sending messages to our e-mail contact list of managers and consultants and requesting them to forward the questionnaire to other professionals.

We analysed the answers and clustered organizations based on their change trigger: the organizations that proactively initiated the change due to the identification of an opportunity (opportunity-seizing change), as well as the organizations that started their endeavour of change as a reaction to the environment, only when they identified threats (problem-solving change). We assesed the organizational change success parameters' for each group. The data analysis was carried out with help of descriptive and inferential statistics.

3. Results

As result of our promotional efforts we got a number of 126 usable responses. The organizations that presented change endeavors for our study were private company, with (predominantly) Romanian capital - 36.51%; private company with (predominantly) foreign capital - 15.08%; public institution - 34.13%; multinational - 11.90%; NGO, foundation - 2.38%.

The organizational change assessed by respondents refers to various elements such as application of a new ERP (resource planning and capitalization) model (13.49%); transition to new record-keeping methods (accounting, HR, stocks, etc.) - 2.38%; transition to new monitoring systems - 3.97%; transition to new performance appraisal systems - 8.73%; implementation of a new software tool - 18.25%; restructuring / reorganization - 29.37%; relocation of activities - 4.76%; installation of new equipment in the manufacturing process - 4.76%; optimization of business processes - 11.11%; others (implementation of social media promotion , change of managerial team and reconfiguration of duties, aso) - 3.18%.

To reach our research objective, we assessed the extent the change has achieved its goal while evaluating the results of the implementation process through the elements of the "iron triangle of the project management": the planned results, budget, and schedule.

First, we assessed the extent the change has achieved its goal while evaluating the results of the implementation process compared to plans, presenting the results in Table 1.

Table 1. Results of the extent the change has achieved its goal related to the level of the implementation process results compared to plans

To what extent	...were the results of the implementation process as originally planned?					
... the change has achieved its goal?	Very small extent	Small extent	Neither small nor large extent	Largely	Fully	**Grand Total**
To a very small extent	0.79%	0.00%	0.00%	0.00%	0.00%	**0.79%**
To a small extent	1.59%	0.79%	0.79%	0.79%	0.00%	**3.97%**
Neither small nor large extent	0.79%	1.59%	5.56%	3.97%	0.79%	**12.70%**
Largely	0.79%	2.38%	6.35%	37.30%	3.97%	**50.79%**
Totally/Fully	0.00%	0.79%	0.00%	14.29%	16.67%	**31.75%**
Grand Total	**3.97%**	**5.56%**	**12.70%**	**56.35%**	**21.43%**	**100.00%**

Source: Author's analysis

We also assessed the extent to which the change achieved its objective against whether the change was completed within the deadline and presented the results in Table 2.

Table 2. Results of the extent to which the change achieved its objective against whether the change was completed within the deadline

To what extent	... the change was completed within the deadline					
... the change has achieved its goal?	With a huge delay (> 20% of planned interval)	Consistent delay (> 5% of planned interval)	Small delay (< 5% of the planned interval	At deadline	Earlier than deadline	**Grand Total**
To a very small extent	0.79%	0.00%	0.00%	0.00%	0.00%	**0.79%**
To a small extent	0.79%	2.38%	0.79%	0.00%	0.00%	**3.97%**
Neither small nor large extent	3.17%	2.38%	4.76%	2.38%	0.00%	**12.70%**
Largely	3.97%	7.94%	26.98%	10.32%	1.59%	**50.79%**
Totally/Fully	0.79%	2.38%	7.94%	19.05%	1.59%	**31.75%**
Grand Total	**9.52%**	**15.08%**	**40.48%**	**31.75%**	**3.17%**	**100.00%**

Source: Author's analysis

We also assessed the extent to which the change achieved its objective against whether the change was completed within the established/planned budget and presented the results in Table 3.

Table 3 Results of assessed the extent to which the change achieved its objective against whether the change was completed within the established/planned budget

To what extent	... the change was completed within the established/planned budget					
... the change has achieved its goal?	Exceeded by more than 20%	Exceeded by more than 5%	Slightly exceeded (< 5%)	Equal to the planned budget	Lower than planned	**Grand Total**
To a very small extent	0.79%	0.00%	0.00%	0.00%	0.00%	**0.79%**
To a small extent	0.79%	0.79%	2.38%	0.00%	0.00%	**3.97%**
Neither small nor large extent	2.38%	2.38%	5.56%	2.38%	0.00%	**12.70%**
Largely	0.00%	5.56%	22.22%	15.08%	7.94%	**50.79%**
Totally/Fully	0.00%	3.17%	9.52%	13.49%	5.56%	**31.75%**
Grand Total	**3.97%**	**11.90%**	**39.68%**	**30.95%**	**13.49%**	**100.00%**

Source: Author's analysis

Finally, we evaluated the level of achievement of the change goal for changes initiated for opportunity-seizing vs. problem-solving initiated changes.

Table 4. Results of the level of achievement of the change goal for changes initiated for opportunity-seizing vs problem-solving initiated changes

Level of achievement of the change goal for	Problem-solving change					
Opportunity-seizing change	Not at all	To a small extent	Neither small nor large measure	Largely	Fully	Grand Total
Not at all	0.79%	1.59%	0.00%	1.59%	0.00%	3.97%
To a small extent	0.79%	2.38%	0.00%	8.73%	2.38%	14.29%
Neither small nor large measure	0.00%	1.59%	5.56%	8.73%	4.76%	20.63%
Largely	1.59%	3.17%	5.56%	29.37%	6.35%	46.03%
Fully	0.00%	0.00%	1.59%	3.17%	10.32%	15.08%
Grand Total	3.17%	8.73%	12.70%	51.59%	23.81%	100.00%

Source: Author's analysis

4. Discussion

We evaluated the extent the change has achieved its goal related to the level of the results of implementation process compared to plans and we observed that 31.75% of the initiated changes were fully successfull in achieving the goal, but only 16.67% of the changes fully achieved the originally planned results. This result might be due to various changes in the organizational environment and the lack of organizational agility, but also to the fact that the desired output is cristal clear for employees in case of a problem- initiated change.

Analysing the extent to which the change achieved its objective within the deadline, we observe in Table 2 that 31.75% of the organizations were fully successfull in changes, but only 20.65% of them finalized their change processes as scheduled or earlier. What should be mentioned is that 17.46 % of the organizations did not achieved their change goals, a percent of 9.52% finalizing their change project with a consistent delay (more than 5% of the implementation-scheduled interval). These results are evidences of inneficiency and time loss.

Also, by analysing the extent to which the change achieved its objective within the budget, we observe that 19.05% of them finalized their change processes within the budget and 9.52% slightly exceeded the budget (by less that 5%). However, if we consider also the 50.79% of the organizations that were largely successfull in changes, we observed that 23.02% of the analyzed changes were within the budget, 22.22% slightly exceeding it by less that 5%.

The results presented in Table 4 reveals that 23.81% of the problem-solving initiated changes fully succeeded in achieving the goal, comparing with only 15.08% of the changes initiated for opportunity-seizing. Moreover, 75.40% of the problem-solving initiated changes fully succeeded in achieving the goal while only 61.11% of the changes initiated for opportunity-seizing were successful. This result might be due to the fact that in the case of a change initiated as a result of the existence of a problem, it is much more likely that there will be the involvement of employees, willing to solve that problem. Thus, the need and urgency to achieve the set objectives is much clearer for each employee.

5. Conclusions

The need to be competitive in the current economic situation has become evident and organizational change is a tool for improving the functioning of an organization and adapting it to the requests and needs of its customers.

A change involves the mobilization of certain resources at the organizational level. It requires not only the involvement of people, but also the allocation of important resources of time and money.

Through our research we sought to identify the way in which the organizations that initiated changes managed to complete them, analyzing the level in which the objective of the change was achieved by reporting it to the triggers of the change and to the characteristic elements of the golden triangle of project management: results, time, budget.

The results of our analysis reveals that the analyzed changes were mostly successful. There are obvious differentiating elements of each approach, but the analysis showed that the reactive changes had a higher rate of reaching the established objectives.

Thus, the existence of some problems, identified and assumed at the organizational level, led to the establishment of clear objectives of the change process. More than that, the existence of some problems could constitute the support for the motivation and involvement of a higher percent of employees who thus completed the change and achieved the set-up objectives within the interval, respectively the established budget.

The existence of variations related to the conformation to the established schedule and budget reflects the diversity of the processes in the analyzed organizations and constitutes a starting point for planning future changes.

However, while our work is limited in scope, the practitioners' approaches emphasize that final results of a change should create within the organization the structures, practices and skills necessary for the future-desired situation. These elements certify the success of an organizational change and the achievement of the change goal and they might be a direction for future researches in the managerial field.

6. Bibliographic References

[1] Appelbaum, S.H., Profka, E., Depta A.M., Petrynski, B. (2018), *Impact of business model change on organizational success*, Industrial and Commercial Training, Vol. 50 Issue: 2, pp.41-54, https://doi.org/10.1108/ICT-07-2017-0058.

[2] Armenakis, A., Harris, S., (2009), *Reflections: our Journey in Organizational Change Research and Practice*, Journal of Change Management 9, p. 127–42.

[3] Atkinson, R., (1999), *Project management: cost, time and quality, two best guesses and a phenomenon, its time to accept other success criteria*, International Journal of Project Management. 17(6), pp. 337-342

[4] Baccarini, D. (1999), *The Logical Framework Method for Defining Project Success*, Project Management Journal, pp. 25-32.

[5] Blumberg, M., Cater-Steel, A., Rajaeian, M.M. and Soar, J. (2019), *Effective organisational change to achieve successful ITIL implementation: Lessons learned from a multiple case study of large Australian firms*, Journal of Enterprise Information Management, Vol. 32 No. 3, pp. 496-516. https://doi-org.am.e-nformation.ro/10.1108/JEIM-06-2018-0117

[6] Burnes, B. (2009), *Reflections: Ethics and organizational change—Time for a return to Lewinian values*, Journal of Change Management, 9(4), 359–381. https://doi.org/10.1080/14697010903360558

[7] Chih, Y., Zwikael, O., (2015). *Project benefit management: A conceptual framework of target benefit formulation*, International Journal of Project Management, Vol. 33 No. 1, pp. 352-362.

[8] Choi, M. (2011), Employees' attitudes toward organizational change: A literature review. Hum. Resour. Manage., 50: 479-500. https://doi.org/10.1002/hrm.20434

[9] Davis, K., (2014). *Different stakeholder groups and their perceptions of project success*, International Journal of Project Management 32 (2), pp. 189–201.

[10] de Wit, A., (1988), *Measurement of project success*, International Journal of Project Management, pp. 164-170.
[11] Erik, W. L., Clifford, F. G. (2011), P*roject Management-The Managerial Process*. Fifth Edition, McGraw-Hill/Irwin, New York, NY, 10020.
[12] Ika, L.A., (2009), *Project success as a topic in project management journals*, Project Management Journal, Vol. 40 Issue:4 , pp. 6–19.
[13] March, J. G. (1981), Footnotes to Organizational Change, *Administrative Science Quarterly* 26, no. 4 , pp. 563-77.
[14] Ming-Chu, Y., & Meng-Hsiu, L., (2015), *Unlocking the black box: Exploring the link between perceive organizational support and resistance to change*, Asia Pacific Management Review (2015), http://dx.doi.org/10.1016/j.apmrv.2014.10.003
[15] Müller, R., Turner, J.R., (2007), *Matching the project manager's leadership style to project type*. International Journal of Project Management, Vol. 25 Issue:1, pp. 21–32.
[16] Pettigrew, A., (1985) Contextualist Research and the Study of Organizational Change Processes. In: Mumford, Enid, Hirschheim, Rudi, Fitzgerald, Guy and Wood-Harper, Trevor, (eds.) Research Methods in Information Systems. Elsevier Science, pp. 53-75. ISBN 978-0444878076
[17] Reis, D. and Peña, L., (2001), *Reengineering the motivation to work*, Management Decision, Vol. 39 No. 8, pp. 666-75.
[18] Rolstadås, A., Tommelein, I., Schiefloe, P.M., Ballard, G., (2014), *Understanding project success through analysis of project management approach*, International Journal of Managing Projects in Business, Vol. 7 Issue: 4, pp.638-660, https://doi.org/10.1108/IJMPB-09-2013-0048.
[19] Rosenbaum, D., More, E., Steane, P. (2018), *Planned organisational change management: Forward to the past? An exploratory literature review*, Journal of Organizational Change Management, Vol. 31 Issue: 2, pp.286-303, https://doi.org/10.1108/JOCM-06-2015-0089.
[20] Samset, K., (2009), *Projects, their quality at entry-and challenges in the front-end phase*. In: Williams, T., Samset, K., Sunnevag, K. (Eds.), Making Essential Choices with Scant Information. Palgrave MacMillan, Basingstoke, UK, pp. 18–38.
[21] Shenhar, A.J., Dvir, D., (2007), *Project management research - the challenge and opportunity*, Project management journal, 38 (2), pp. 93-99.
[22] Söderlund, J. and Tell, F. (2009) The P-form organization and the dynamics of project competence: Project epochs in Asea/ABB, 1950-2000. International Journal of Project Management, Vol. 27, pp. 101-112.
[23] Struckman, C.K., Yammarino, F.J., (2003), *Organizational change: a categorization scheme and response model with readiness factors*, Research in Organizational Change and Development 14, pp.1-50.
[24] Voica, O.M., (2017), *Differentiators of Organizational Dynamism*, Ovidius University Annals, Economic Sciences Series, XVII, issue 2, pag. 348-353. http://stec.univ-ovidius.ro/html/anale/ENG/2017-2/Section%20III/36.pdf