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**CHANGE MANAGEMENT IN HRM: EMPLOYEE COMMITMENT AND ENGAGEMENT DURING
ORGANIZATIONAL CHANGE**

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1 INTRODUCTION

The relationship between *change management* and *human resource management* (HRM) is researched in this bachelor's thesis. The research is a literature review which is done from a managerial point-of-view and not from the employees' perspective since the key aspect of this work is to examine how change can be managed and how employees can be lead during said change. The introduction includes a description of the topic and research method, justification for the research and the aim and research questions are defined.

1.1 Description of topic and research method

The way in which HRM can be utilized during organizational change and how committed, long-term employees can be beneficial for the organization when implementing change is investigated. Employee engagement is explored to investigate the effect that reducing turnover and increasing employee commitment have on implementing organizational change. The first part of the research focuses on how HRM is used to create long-term employment by reducing employee turnover. The second part focuses on the effect that committed and involved employees have on organizational change. Thus, the first part shows how long-term employment can be formed and the second one explores the benefits of having committed and content employees while implementing change.

The significance of employees in the implementation of change is a widely researched topic. This bachelor's thesis researches the way that HRM can be utilized to increase the significance and effect of employees during organizational change. Therefore, this research aims to provide different ways for management to better aid their employees during organizational change. Previous research is often done from an employee perspective, but this research is done from a managerial point-of-view. This research also aims to link the seemingly disconnected processes of forming employee commitment and change implementation. These are both significant functions of HRM and this research strives to show how they affect one another.

This bachelor's thesis is a literature review in which research related to the topic are investigated. The literature used for this work was chosen on the merit of perceived credibility and reliability, relevance, and contemporality.

1.2 Justification for the research

The current state of the world makes this research relevant. The continuous advancements in science and technology and how the world steadily merges into one big global society puts pressure on companies to sustain their place in their respective markets and not lose to their competitors. It is necessary for companies to continuously evolve and improve their operations and products. This bachelor's thesis investigates how this necessary and continuous change can be managed and implemented more fluidly by including HRM into the process.

The current global COVID-19 pandemic increases the significance and timeliness of this research. The pandemic has had multifaceted and countless effects on the world. It has caused prominent changes to the lives of individuals but especially to the economy. A report done by the United Nations and other organizations investigated the effects of the COVID-19 pandemic during the first two quarters of the year 2020. The report shows data and statistics on different measures gathered globally. The statistics show major changes for example on global unemployment rates as seen in Figure 1. It is also stated in the report that “*Unprecedented shock to labour markets with biggest employment decline since WWII*” (Committee for the Coordination of Statistical Activities, 2020).

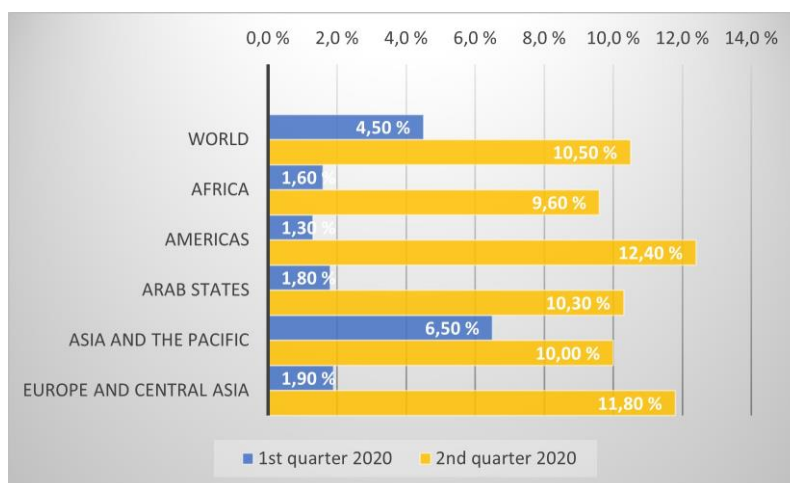


Figure 1 Estimated drop in aggregate working hours. Modified from Committee for the Coordination of Statistical Activities, 2020

1.3 Research aim and questions

The aim of the research is to investigate how necessary and continuous change can be managed and implemented better by including HRM. The way management can lead employees to be able to effectively partake in the implementation of change is researched. The significance of HRM in the process of employee retention is investigated, since that is widely seen as a major function of HR (Mitchell, Holtom, Lee, & Grasko, 2001). Then the relationship between employees and organizational change is investigated to determine the role of HRM in that process. The research aims to provide an insight into ways that HRM could be used to improve implementation of change through employees. A significant objective of the research is to also emphasize the importance of committed and long-term employments and their effect on organizational change.

The main research question is:

What is the role of HRM in implementing organizational change?

The secondary research question is:

How are committed and long-term employments formed?

1.4 Structure of the work

This work is divided into five distinctive parts. The first chapter is an introduction to the research which defines the purpose and the significance of the research and describes the method of the research. The introduction includes the structure of the thesis. The second chapter proposes the framework of the research and defines what organizational change, change management and HRM are. The third chapter investigates the research done on how HRM is utilized to form committed and long-term employments. The fourth chapter researches the effect of employee commitment and involvement during organizational change. The last chapter is a conclusion, and it answers the main and secondary research questions. It also includes a review of the literature used and explores the possibilities for follow-up research.

2 CHANGE MANAGEMENT

Change management is the management of change that happens inside an organization. This chapter defines what are organizational change and change management.

2.1 Organizational change

Organizational change is the change that happens inside of an organization. Weick and Quinn (1999) argue that “... *change starts with failures to adapt and that change never starts because it never stops*”. This can be understood in the way that the need for change is triggered when an organization faces adversity, and a change is needed to overcome it. But it also shows that change is a continuous process which has no beginning or end, because the need to adapt and overcome is also never-ending.

There are two types of organizational change according to the article by Weick and Quinn (1999). There is the disruptive and one-time change that occurs after an issue arises which the company needs to overcome. This kind of change is reactionary, and it can disturb the normal processes that are happening inside the organization. Once the change needed to be done to solve the issue is implemented, no more actions are required unless another complication appears. (Weick & Quinn, 1999)

The other type of change in an organization is continuous and never-ending that happens over time. This kind of change is not caused by any specific issue or event. This change happens when an organization constantly adjusts to the new changes in the world, like demand. It is important for organizations to evolve at the same pace as the world around them therefore continuous change is necessary. In both types of change the need for change can come from external factors, like a shift in demand, or a global crisis, or from internal factors, like new innovations. (Weick & Quinn, 1999)

2.2 Change management

Change management is defined as “*the process of continually renewing an organization’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers*” (Moran & Brightman, 2001). Change management

must be organized and thorough since the need for change can be very urgent and the organization must be prepared to react to possible adversaries. But one could argue an even more important aspect of change management is the maintenance of the continuous change that is needed inside an organization. (Todnem By, 2005)

Change management and human resource management are brought together during the process of leading the employees of the company during organizational change. People are often very change averse since change is often seen as something that disrupts the normal that people have gotten used to. Things, like work schedules or tasks, have usually become habitual and familiar to employees so diverting them may be uncomfortable and undesirable. Therefore, it is important that employees are effectively and thoroughly guided and managed through change so that at the end the employees can once again become familiar and comfortable with their work. (Hodges, 2016)

3 HUMAN RESOURCE MANAGEMENT

In a company, human resources are its employees, and they are managed by the company's HR department. Employees and their skills and work are resources a company uses, like machinery or materials, and they have to be managed like the other resources are. But what differentiates employees from the other resources is that humans are complex individuals and they do not come with instruction booklets, so managing human resources is more demanding. Unlike the other resources employees exist outside of the workplace and they have their own lives and thoughts that affect the way they behave. When managing human resources, it is necessary to consider that they are not expendable assets that can be easily thrown out or replaced, but they are people that require care and humane treatment. (Putti, 2015)

3.1 Human relations

Another big difference between human resources and other resources is the fact that people create relationships with others, thus they form groups inside of the workplace. The relations between the employees inside of a workplace should be managed and looked over as well as individual employees. The relationships that people form with each other have a significant effect on them and they impact heavily how people behave and think.

Michael Tomasello (2014) gives an overview of how humans have developed into social animals that crave collaboration and conformity. The article brings out the concepts of "*social norms*" and "*group-mindedness*" that are heavily related to the relationships that employees form at their workplaces. Social norms are defined as unspoken rules that people in the same social group follow. A social norm is typically formed when members of a social group mutually acknowledge and reinforce it. Therefore, not following social norms that are present in a social group distinguishes a person from said group and can make it harder for them to interact with the group.

From an employee point-of-view understanding and following the countless social norms that are formed inside the workplace is necessary because following them shows to the other members of the social group, in this case colleagues, that said individual

is part of their social group. For example, in an office setting one social norm could be to always bring new milk to the fridge if you see it has run out. So, if a person deviates from this and the other people notice it, it can cause tension between them thus unbalancing the work community.

The idea of a community at a workplace is related to the previously mentioned concept of “group-mindedness”. Humans strongly identify with the different social groups that they belong to, and the groups they form at their workplaces are no different. This is why behaving according to the social norms that are set at for example a workplace is very important to people because it shows them that other members of the group are equally committed to uphold the well-being of their community. Humans have developed to collaborate with each other, and they actively observe other people and reflect how they behave compared to them. (Tomasello, 2014) These traits of collaboration and conformity make the management of human resources very demanding, since it is not merely about managing a singular person, but rather the management of a network of groups.

3.2 Corporate culture

In his book “Human Resource Management: A Dynamic Approach” Putti (2015) puts emphasis on the idea of “*corporate culture*” as a pathway to a successful company. Corporate culture is defined as “*the way of doing things in an organization*” by Putti (2015). The idea of corporate culture is heavily related to the aforementioned concepts of “social norms” and “group-mindedness” since it puts value on the well-being of work communities and the effects that a corporate-wide culture has on the singular employee. Putti references several studies done on companies with strong corporate cultures and the findings show that for a company to be successful it should have a committed workforce that feels like they are part of a “team” or a community. HR management has a significant role in this process of creating and managing a community of committed and engaged employees since it is the link between the rest of the company and its employees.

4 EMPLOYEE COMMITMENT

In their book “Commitment in the workplace: theory, research, and application.” Allen et al. offer a definition for a committed employee by describing them as: “...*one who stays with the organization through thick and thin, attends work regularly, puts in a full day (and maybe more) ...*” (1997). Thus, committed employees are ones that feel obligation to stay with their organization and they are willing to “go an extra mile” for their organization’s benefit. This chapter explores the role of HRM in forming these committed employments.

4.1 Employee turnover

Employee turnover is defined as the process of employees leaving their current place of work (Mobley, 1982). This process can be either voluntary or forced. Voluntary turnover is when an employee resigns, and forced turnover is when an employee is fired. This work will focus on the voluntary turnover. Phillips and Connell (2003) go through the various negative consequences that organizations and individuals face because of turnover. From a social and HR point-of-view employee turnover is seen as disruptive and unbalancing, since employees leaving the work communities can be distracting and disheartening to other employees. Colleagues that are still working for the company might have to increase their workload to compensate for the employees that are leaving, thus employee turnover can cause a rise in their stress levels. (Phillips & Connell, 2003)

From a financial perspective employee turnover can be very detrimental to an organization. Turnover can cause both direct and indirect costs which start to add up from the moment that an employee leaves and they can continue to add up long after a replacing employee is hired. Direct costs include replacement costs that contain the costs needed to hire a new employee, like marketing, recruiting, hiring, and training. Other direct costs are the wages paid for temporary workers, and overtime costs for the employees who substitute the employee that left. Indirect costs are costs that are not easily measured like direct costs, but rather intangible things. An organization loses the valuable work experience and knowledge that an employee has once they leave, and it can take years for a new employee to gain the same knowledge and experience.

A risk is also that the former employee can take their precious knowledge to a competitor's organization. (Mitchell et al., 2001)

There are various reasons for employee turnover given in literature, but traditional studies widely agree on the premise that it often originates from job dissatisfaction. There are external and internal reasons that can have an impact on employee turnover. External reason can be for example a negative shift in the economy that forces organizations to lay off their workers. Internal reasons can come from either inside the organization or from the individuals themselves. Organizational reasons for employee turnover can be for example a change in their line of production or the closing of a store. Employees can have multitude of reasons for wanting to leave an organization, such as issues with wages, lack of motivation or recognition, or interpersonal issues within their work communities. (Phillips & Connell, 2003) Since there are so many different reasons for employee turnover, it is extremely demanding to oppose it, but it is necessary for organizations to do so, because of the many negative impacts of employee turnover.

4.2 Employee retention

The process of reducing employee turnover is called employee retention. Employee turnover is shown to have a negative impact on an organization, so it is essential for organizations to allocate resources into employee retention. Employee retention is done through various ways, and there is diverse literature on it. There are many different theories and studies of employee retention since it is widely accepted that reducing employee turnover is necessary and important. Two theories that offer ways to increase employee retention will be explored in this work. The first theory is by Allen et al. (2003) and it is called *The Role of Perceived Organizational Support and Supportive Human Resource Practices in the Turnover Process*. The second theory is by Mitchell et al. (2001) and it is called the *Job Embeddedness theory*.

4.2.1 Supportive Human Resource Practices

Allen et al. (2003) constructed a model that investigates the role of perceived organizational support (POS) in the turnover process. POS is defined as how and to

what extent an employee feels like the organization tends to their well-being and needs and values their work efforts. POS is believed to grow from supportive HR practices that allow the employees to develop their skills and evolve in their careers. Also, an important factor is employee engagement, which happens when the employees are given the chance and even encouraged to participate in the decision-making processes. Interestingly a significant factor is in how the employees perceive these seemingly positive and supportive practices. In their article Allen et al. (2003) bring out the perspective that it is not merely enough that employees are offered these practices, but rather whether they perceive them as effective and influential.

To test their theory that POS and supportive human resource practices reduce employee turnover, Allen et al. (2003) constructed a study. In their study they surveyed over 600 American salespeople and insurance agents where the participants were asked to give their opinions on different factors that measure supportive human resource practices and turnover intentions. The participants were asked to, for example, evaluate how well they were able to take part in decision-making, how fairly they thought they were rewarded, and how likely they saw themselves leaving their job. The findings provide proof that employees that experienced supportive human resource processes had a high POS. The results also show that positive experience with both HR processes and a high POS increased the likeliness of employees being more committed to their jobs, thus reducing employee turnover. Employees that see their organizations as supportive, were more likely to be attached to the organization, since the employees see themselves as valued and cared members of their workplace.

4.2.2 Job Embeddedness theory

The other theory that offers a way to reduce employee turnover is The Job Embeddedness theory by Mitchell et al. (2001). Job embeddedness is a concept that includes three variables: “... individuals' (1) links to other people, teams, and groups, (2) perceptions of their fit with job, organization, and community, and (3) what they say they would have to sacrifice if they left their jobs.” (Mitchell et al., 2001). The Job embeddedness theory provides an explanation for why employees decide to stay at the organization that they work at by using the concept of job embeddedness. Job embeddedness differs from organizational commitment because it considers how well

employees see themselves fit with the organization. Organizational commitment focuses more on the feeling of attachment or obligation that an employee has towards the organization, rather than how the employee views them benefiting from the organization.

Mitchell et al. (2001) constructed a survey of over 1000 American grocery store and hospital workers to test their job embeddedness theory. The survey was very similar to the one done by Allen et al. (2003) since it also asked the participants to give their opinions on different measures of organizational commitment, job satisfaction and turnover intentions. The measures also included the three different variables of job embeddedness; links, fit and sacrifice. The findings of the survey show that employees that gave higher levels of job embeddedness also had lower levels of turnover intentions and actual turnovers. The Job embeddedness theory gives an explanation to why employees decide to stay, therefore it is significant when considering employee retention. The theory also offers another perspective into organizational commitment since it shows that employee attachment also comes from within the employees.

4.3 Organizational commitment

Organizational commitment is defined by Karmakar as “*a psychological force that motivates an individual to maintain membership in an organization by identifying the goals and values of the organization.*” (2020) Organizational commitment stems from a strong and positively viewed company culture that employees want to be a part of. A theory by Meyer and Allen divides employees’ experiences of organizational commitment into three different components: continuance, affective, and normative commitment. (1991) These different dimensions offer different explanations for employee commitment. Continuance commitment is seen when an employee feels that continuing to work for the organization would be economically beneficial to them. Affective commitment describes the employee’s emotional attachment to the company, for example one could be emotionally attached to their first job, and therefore be committed to stay at that job. Normative commitment on the other hand comes from the employee’s sense of loyalty or responsibility for the organization. (Meyer & Allen, 1991)

In her article Karmakar (2020) goes through the plethora of benefits that organizational commitment has on both the organization and the individual employee. Organizational commitment decreases employee turnover since employees see their workplaces as supportive and beneficial to them, thus they want to stay there. From the organization point-of-view a committed workforce is extremely advantageous and one could argue even necessary. Committed employees are more engaged and they are more likely to “go the extra mile” for the organization than a non-committed employee. Organizational commitment is also a crucial factor in successfully implementing change since it is easier to work through and overcome change with committed employees.

5 CHANGE IMPLEMENTATION

This chapter explores how organizational change can be better implemented with employees that are committed to the organization that they work in. As aforementioned, a committed workforce is advantageous for an organization in many ways and in implementing change it is rather necessary.

A study done by Vakola and Nikolaou (2005) investigates the significance of organizational commitment when implementing change. The study had almost 300 participants that completed a questionnaire that included measures of the employees' attitudes to change and organizational stress. The findings show that there was a positive relationship between the employees having a positive attitude towards change and their level of commitment to their organization. These findings are supported by other literature that investigates the relationship between employee commitment and attitude to change. The results also show a significant relationship between negative attitude to change and the level of work stress that employees experience. Specifically, a lack of work community and socialization inside the workplace is shown to be detrimental to a positive attitude towards change. (Vakola & Nikolaou, 2005) These findings support the previously explored idea that humans are social beings that have the need for a supportive and alike group.

5.1 Employee commitment and perception

In their article Maheshwari and Vohra reviewed literature on the different aspects of organizational change, HR practises that have been used in implementing change, and the relationship between employee commitment and organizational change. (2015) The findings of their literature review show that there is a strong relationship between employee perception and commitment, since employees that perceive their organizations to actually care about their well-being showed higher levels of commitment. Reviewed studies also show that the employees' perception of the outcome of change had a strong correlation to their commitment to said change.

Another significant finding of the study is the importance of using HR practices during organizational change. HRM is widely seen as a change agent, which means that HR

assists and allows for change to happen inside the organizations. Since change is done by the employees of the organization, it is necessary for them to be thoroughly managed during the change. Most of the literature that was reviewed show that the need for HR practices was very evident and necessary since they were needed to manage and guide employees during organizational change. The findings of this study support the ideas of the aforementioned theory of Perceived organizational support. Both studies emphasize the significance of employee perception of HR processes and their effects. (Maheshwari & Vohra, 2015)

5.1.1 Commitment to change

In a series of studies done by Herscovitch and Meyer (2002) the concepts of workplace and employee commitment and their relationships with organizational change are investigated. Herscovitvh and Meyer constructed three separate surveys that aimed to investigate the different measures of commitment to change, such as support for change and organizational commitment. The study is strongly focused on testing the aforementioned concept of three-component model of commitment, but the findings do offer insight into how employees that demonstrate higher levels of organizational commitment react to change. The participants that were more likely to comply or cooperate with change also exhibited more organizational commitment. This article leads to the question of what affects the reaction that employees have towards change. This reaction can be either positive readiness, or negative resistance.

5.2 Readiness for change

Readiness for change is defined as “... *the cognitive precursor to the behaviours of either resistance to, or support for, a change effort.*” by Armenakis et al. (1993) Creating readiness is an important factor for successful and effective implementation of change. Readiness for change is seen as a remedy for resistance to change, which is by definition detrimental to the process of implementing change. In their article Armenakis et al. (1993) research the different ways how readiness for change is created during organizational change. An important factor that is seen in almost all of the different ways is the significance of the employees’ attitudes towards the organization and change. Employees that are committed and loyal to their

organizations are more likely to experience higher levels of readiness for change. These discoveries support the previously mentioned idea of committed employees being more willing to “go an extra mile” for their organizations. Employees that feel committed to their organizations are therefore more likely to be ready to implement and take part in the change process.

5.2.1 Overcoming resistance

A significant part of creating readiness is the concept of overcoming resistance. While readiness is seen as a positive reaction of change, resistance is seen as a negative reaction. In his article “*Organizational change - overcoming resistance by creating readiness*” Self (2007) explores the ways that resistance can be overcome to create readiness for change. Resistance to change can stem from multiple different reasons, which are often based on the individual employees’ thoughts and experiences. When employees exhibit resistant behaviour, it can negatively affect the implementation of change which is why it is essential for management to react to the employees’ reaction. Self emphasizes the significance of considering the individual employees and their worries when implementing change. For an individual to be ready to adapt to change, it is necessary to know how it will affect them and what they themselves have to do and what they will gain. (Self, 2007) To summarize, making these clear for the employees will enhance and increase their readiness for change.

5.2.2 Counterargument to support resistance

Waddell and Sohal (1998) offer a counterargument that resistance can be used as a tool for implementing change. Resistance can be seen as the need for stability and consistency it can therefore be used as a tool to balance the constant need and pressure to change. When change is faced with resistance it offers the management an opportunity to re-evaluate and revise the planned changes to better suit the needs of the employees. An interesting factor that relates to employee commitment and engagement is that research shows that resistance can motivate employees to actively partake in the change process. Resistance can create discussion and influence employees to want to affect the change, therefore making the change more desirable, which creates readiness for said change. (Waddell & Sohal, 1998)

5.3 Positive organizational culture

Positive organizational culture and its relationship with organizational change is researched (Parent & Lovelace, 2018). Based on the reviewed literature the authors developed a model that proposes “... *a positive work culture enhances employee engagement and in specific cases leads to increased adaptability is developed.*”. This model is offered as another way to better understand how employees can adapt to the constant change that organizations face. A major factor that is emphasized throughout the article is that it is largely management’s responsibility to help and lead their employees through change. An organization can strongly influence the different conditions that affect an employees’ adaptability to change. The concept of positive organizational culture is heavily used in the article and it means that the workplace has a culture of nurturing and taking care of their employees’ well-being. The findings of the article show that a positive organizational culture does help employees to better adapt to change. A supportive work environment can be vital for an employee to overcome adverse situations, like unwanted change. Positive organizational culture is also seen as a way to increase employee engagement. (Parent & Lovelace, 2018)

5.3.1 Employee engagement

The effect of employee engagement on organizational change is also considered. Employee engagement is widely seen as a significant tool for an organization to perform to its full potential. Engaged employees are more likely to have less absences, higher productivity and they are less likely to leave their organization. Employee engagement is distinguished into two parts: job engagement and organizational engagement. Job engagement is seen as the focus an employee has on their own work tasks and goals. Organizational engagement on the other hand is the employee’s enthusiasm and involvement in their workplace. (Parent & Lovelace, 2018)

Employee engagement is also a tool for better adaptability of change (Parent & Lovelace, 2018). Their research shows that organizations that involved their employees in change processes were able to better implement said changes. In their article authors concluded that job engagement and organizational engagement have different effects on the employees’ adaptability. Individuals that exhibit higher levels

of job engagement have a harder time with adapting to change. When changes affect employees' specific work tasks that they are very engaged with they are less likely to be able to adapt to the changes. Since job engaged individuals view their work as their source of enjoyment, they can feel very protective of it, thus react to the change with resistance. Organizational engagement on the other hand enhances individuals' adaptability. Employees that are strongly engaged with their organization are more likely to also exhibit other positive attributes to change like commitment or readiness. (Parent & Lovelace, 2018)

6 CONCLUSION

The conclusive chapter aims to offer answers to the main and secondary research questions. The answers are formed based on the reviewed literature. Then follow-up research possibilities are explored. The chapter ends with a review of the sources used in this research. The credibility and reliability of used sources are explored, and the cohesion of the sources will be investigated. The limitations and generalisation of this research are reviewed.

6.1 How is HRM used in implementing organizational change?

The main research question of this bachelor's thesis was:

How is HRM used in implementing organizational change?

This research aims to investigate the role of HRM in the process of implementation of organizational change from the perspective of managing employees through said change. Employees have a major significance in implementing change since change happens through their work. This research aims to provide ways for HRM to better guide employees through organizational change, therefore improving the process of change implementation.

The findings of this research give insight into the different means that HRM has in implementing change through employees. These means are committed employees, employee engagement, creating readiness, and positive organizational culture. These means have been gone through in this work and this chapter will bring forth the ways that HRM can be used to improve these means of implementing change through employees.

Employee commitment and commitment to change are seen as factors that are closely associated with each other. Employees that exhibited organizational commitment are more likely to exhibit commitment to change (Herscovitch & Meyer, 2002). HRM has a significant role in the formation of employee and organizational commitment. Supportive HR practices like engaging employees in the decision-making processes or

encouraging employees to develop their skills, are seen to increase employee and organizational commitment (Allen et al., 2003). HRM has to actively examine the rewarding of employees since an important factor in forming organizational commitment is that the employees feel that they are fairly and justly rewarded for their work (Meyer & Allen, 1991).

Creating and nurturing readiness for change is one of the most important functions of HRM in organizational change. How employees react to organizational change is determined by how ready they are for said change. Employees that have a positive perception of their organization are more likely to perceive change positively thus they are more likely to be ready to implement change (Armenakis et al., 1993). This positive perception is created with the help of HR processes like it was aforementioned.

HRM is used to create readiness by overcoming resistance to change. It is necessary for HRM to react to any negative feelings or thoughts that may arise from employees during change since this negative perception of change can lead to resistance. An important factor in overcoming resistance is that employees have to be told how the change will affect them and their jobs, and what is expected from them (Self, 2007). Thus, HRM has to actively guide and lead employees since the beginning of change so that they are able to react with readiness rather than resistance. Readiness for change has to be continuous and it has to be nurtured so when change happens the employees are ready for it.

The concept of employee adaptability to change is brought up in the research. Adaptability measures how employees are able to implement change and how well they conform to the changes. Adaptability to change can be seen in the way how employees carry out said change in their work. Positive organizational culture is seen as a significant factor in creating employee adaptability to change. An organization has an important role in developing the conditions for employee adaptability. Humans are believed to be change averse since change is often viewed as adverse and disruptive. A positive organizational culture formed and supported by HRM is a way to increase this adaptability to change (Parent & Lovelace, 2018). Employees need to

feel supported and taken care of by their organization and this is an important task of HRM.

HRM has a significant role in involving employees into the change process. Organizations that had their employees partake in the different change processes were able to better implement said change (Parent & Lovelace, 2018). Involvement of employees is an essential function of HRM not only during organizational change. It is important for employees to feel like their opinions and thoughts are taken into account in the decision-processes of the organization. Therefore, HRM has to actively listen to and consider employees and their worries, especially during organizational change.

This research shows that HRM is a change agent that has a significant role in leading and managing employees during organizational change. For employees to be able to react and adapt to change they have to be supported and guided and this is the job of HRM. Positive organizational culture is created through supportive HR practices that make the employees feel like they are valued and cherished members of the work community. Essential HR practices during change are active interaction between HRM and employees and tending to the employees' needs and worries. Even before change HRM has to be used to form committed and long-term employments since committed employees have a crucial role in successful and effective implementation of change.

6.2 How is a committed and long-term employment formed?

The secondary research question of this bachelor's thesis was:

How is a committed and long-term employment formed?

This research question was used to investigate how HRM is utilized in forming committed and long-term employment. Committed employees have a significant role in the implementation of organizational change therefore nurturing and forming these committed employments is important. Literature reviewed in this research show the different ways that HRM can be used to increase employee commitment by reducing

employee turnover, upholding positive organizational culture, and implementing supportive HR processes.

The major function of HRM that promotes committed and long-term employment is the process of reducing employee turnover. Employee turnover is detrimental to an organization in many ways, including financial and social harms and risks (Mitchell et al., 2001). Turnover is by definition negative for the formation of organizational and employee commitment since it shows that employees would rather leave than stay at an organization. Reasons for employee turnover are multifaceted but they are often seen to stem from dissatisfaction towards the organization, job duties, or wage (Phillips & Connell, 2003).

The process of employee retention is where HRM can be utilized to create employee commitment. Employee retention is seen as a remedy for employee turnover. The presence of supportive HR practices that sustain employee well-being, increase employee involvement, and encourage employees to develop their skills, is a major factor in an employee's decision to either stay or leave their organization (Allen et al., 2003). HRM has to actively examine the turnover intentions of the employees and consider what can be done to keep the employees that are deliberating leaving the organization. Listening to the employees' worries and thoughts and executing them shows the employees that they are valued in the organization, therefore making them want to stay.

The decision to stay with the organization is also majorly affected by how well the employees feel that they benefit from staying with the organization (Mitchell et al., 2001). HRM has to ensure that employees feel that they are justly paid for the work they put in. Employees need to feel that it would be beneficial for them to stay rather than leave.

HRM has a significant role in upholding organizational culture which is important in creating organizational commitment. Organizational culture includes the social norms that impact the way things are done inside the organization. Organizational commitment stems from how well employees feel like they fit within their work communities. Humans are social beings that need to belong to a group, so it is

important for them to feel like they are an important and respected member of their work community. HRM should support employees in forming and maintaining relationships with each other (Putti, 2015). HR practices that encourage teamwork, open communication, and networking promote positive organizational culture.

This research shows that HRM has a significant impact on creating long-term and committed employment. For employee retention to be successful and efficient HRM has to be utilized. HR processes that support employee well-being, work community, and positive organizational culture have a major effect on the employee's decision to stay with their organization. It is important for employees to feel appreciated and valued not only when they exhibit turnover intentions, therefore it is important for these supportive HR processes to be implemented continuously and actively. HRM is responsible of executing these HR processes, thus HRM has a significant role in the formation of long-term and committed employment.

6.3 Research vacuity

This research aims to connect the seemingly irrelevant functions of HRM, employee retention and change management. The findings of this research support the idea that HRM has to be continuously utilized in maintaining committed employees since these employees are crucial in the organizational change processes. The concepts of organizational and employee commitment are widely researched but this research links them with the implementation of organizational change.

This research shows that HRM has to continuously and actively tend to the employees' needs and worries since this is imperative in both employee retention and successful change implementation. This is also the most important finding of this research. Commitment does not arise overnight, therefore it has to be nurtured and grown over time. The same applies to readiness for change which also has to be maintained even before change occurs. Thus, HRM must be continually applied through supportive HR practices so the employees will more likely want to stay with the organization and work through organizational change.

6.4 Review of sources

The literature reviewed in this bachelor's thesis was chosen on the merit of relevance, cohesion, and credibility. A broad variety of literature was used including books, journal articles and scientific studies. Literature was chosen diversely from around the world to gain cross-cultural credibility. Literature used was contemporary and the oldest literature used was from the 1990s. The oldest literature contained theories that are still used and supported in modern literature. The decision to only use contemporary literature was made on the premise that HRM and change management have evolved quickly in the past few decades, as has the affiliated literature. Also, the nature of this bachelor's thesis called for modern research since the problems it aimed to solve are also very modern.

The reliability and credibility of sources was investigated before they were chosen to be reviewed in this research. How many times the literature used was referenced by other people was taken into consideration. Literature used in this research was scientific and no non-academic texts were used. Most of the literature used appeared in various journals related to human resource management, change management, or organizational psychology. This was done to offer perspectives from not only a management and business point-of-view, but from a psychological and biological point-of-view. Literature that used other literature in their research and referenced them was used.

A major factor in deciding what literature was reviewed in this research was how they cohered and complemented each other. There were few researchers and theories that appeared in many of the literature. The theory of Three-components of employee commitment by Meyer and Allen from 1991 was widely used in the literature about commitment. Since change management is quite a new research topic, many of the literature on it referenced each other. This cohesion made the literature seem more credible and reliable since the theories and ideas were widely supported and applied. On the other hand, literature that is too cohesive can lower the credibility and reliability because it can limit the research and make it too focused on one way of thinking. This was tried to avoid by choosing both literature that referenced each other and literature that was disconnected.

This research used literature that included studies done on people. The validity and ability to generalize the findings of these studies has to be examined thoroughly. This work used four articles that included surveys to test their research. These studies and their findings have to be critically evaluated to determine whether their findings are useful and applicable.

Three of the four surveys were done on North American participants which raises the question whether the findings are applicable in other cultures. North America has a very individualistic culture so the findings could differ in more collectivistic cultures. The sampling of the participants in all of the surveys focused on certain groups of people, like nurses or salespeople. This limits the generalization of the findings since different jobs require different kinds of personalities which can affect the way they feel towards their organization. Another limitation of the studies was that the amount of answers was quite low. This limits how well these findings can be generalized. The studies were conducted well, and the results were formed rationally. More research like these studies needs to be done to get concrete evidence on the impact of HRM on employee retention and organizational change.

6.5 Follow-up research possibilities

Two follow-up research possibilities rose during the research of this bachelor's thesis. Change resistance is investigated in this research and it is shown to be detrimental to the implementation of organizational change. This research focuses on how HRM can be used to help create readiness for change in employees. There is a counterargument in support of change resistance and how it can be beneficial in the implementation of change. This would be an interesting topic to do follow-up research since it does not contradict this research but rather offers another perspective to change management.

Change resistance can cause the employees to be more motivated in partaking in the decision-making processes of the organization. Hence, they would be more engaged in change implementation. This research shows the importance of employee engagement in organizational change thus change resistance could be useful in successful and effective change implementation. Therefore, this would be an

interesting follow-up research possibility since it could show how change resistance could be used as another tool in implementation of organizational change.

The other follow-up research possibility is to investigate the relationship of HRM and change management in the context of a specific company. A company that had gone through organizational change, like downsizing or transferring to a new market, would be chosen. The way that the company managed the organizational change would be investigated. Focus would be on HRM and employees and their roles in the implementation of said change. Also, the organization's HR practices, turnover rates and organizational culture would be investigated. This would be done to determine how committed the employees of the organization are. It would then be possible to examine the relationship between the employee commitment and how effectively and successfully organizational change was implemented by the company.

This follow-up research would be very interesting and useful since it would show concrete examples of the way a company manages change and how HRM is utilized. This kind of empirical evidence would be beneficial since it would show how change is managed in real life rather than in theory. The company that would be investigated should be one that has gone through organizational change in the recent years. The company should also have public information so their HR practices, turnover rates and organizational culture could be investigated. This follow-up research could provide information that supports the aim of this bachelor's thesis by showing whether the change was done successfully and how committed the employees were.

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