

## **THE IMPORTANCE OF UNDERSTANDING THE CONCEPT OF ORGANIZATIONAL CHANGE FROM ALBANIAN BUSINESSES**

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### **Abstract**

*This study presupposes offer a synthetic and general overview on the subject of organizational change and the resistance it faces. This topic follows a very synthetic analysis starting from the definition of the concept of change, passing then to the analysis of the relative problems it faces resistance and ending with managing the process of change. In an environment like the current one, characterized by an increase in the complexity of social-political and competitive, the possibility of change and adjustment has become critical for organizations experiencing. As is known, the human capital of a firm is taking more and more value, which leads us to confirm that the process of organizational change occupies a strategic role in the life of societies. In particular the relationship between human resources and the change identified the phenomenon of resistance to change. During this study was taken into consideration, so inevitable, the importance of research and ways of managing the process of organizational change. The study concludes that the key to the success of organizational change are human resources.*

*Keywords: organizations, organizational change, resistance to change, human resources, management*

## INTRODUCTION

The first step that must be done is the definition of the concept of organizational change through a general definition and later through an analysis of the historical evolution of this concept. For organizational change we do not refer to an event objectively definable in space, is a process, a series of new events that a person, group, organization or community provide an important attribute for a specific purpose, which is important for society.

It is realized by the practice that a process of change is aimed at innovation, are however to be valid or structured perfectly, it is not enough to guarantee success. The result of an organizational change is influenced by other factors, which often are overlooked by theorists managerial about the dynamics with which the change is divided and built by people. For this reason the efficiency of change is more associated with adoption is done by an organization "to develop a sense of connection, a sense to work together to be part of the system; where every part of the system influences and is influenced by others, and where the system as a whole is greater than the parts that make up the system".

From these assumptions it seems necessary to give a more detailed definition of the concept in question. To give an idea of the change is more logical to proceed towards a definition of the concept of "management of change" (change management) as an efficiency of governance of the change process through the development of integrated monitoring constantly people, culture, organizational processes, structure and technology.

## Review of the literature

The concept of organizational change, it is very useful to improve and better understand historical analysis of this process evolving in the organization. This analysis will try to summarize the historical evolution of the literature used in a very limited period of time and not too early starting from 80 years to reach today.

Based on the study Sashlin & Burke (1987) concept of change is developed in five macro main classes:

- a) A growing integration of aspects of process development and organize tasks, this has resulted from studies conducted in the new working structures.
- b) An increase of attention to the development of a theory of organizational development.
- c) A greater interest of the analysis of conflicts that arise when conducting a merger of the two organizations into a single or when purchasing an existing organization.
- d) A study on the sophistication of organizational development as a result of innovative theories.
- e) Intensification of importance on cultural aspects is considered as a key point in the management of change.

Passing the literature of the '90s we see that it turns very wide both in terms of the number of papers that have been made as for the directions they have taken. Bringing a classification made by Armenakis & Bedeian (1990) we can find three topics analyzed:

1. **Categories of content:** In this context researchers mainly focus on the essence of the change, identifying the factors of success or failure of the change.
2. **Categories of context:** The interest in this field is directed to the forces and conditions as those within and outside the organization in a certain change.
3. **Categories of process:** Take the basic stages and series of activities produced by deliberate changes.

Beyond this classification and treated arguments should be noted that as much interest in a complex and delicate argument has produced the emergence of a large number of reliable analysis.

The current literature of the school adheres to the managerial trend, considering the more practical side of the change and therefore the simplicity of the study.

Interesting in this context is the study done by Lawson & Price (2003), who classify the change in three types:

- *The first level:* the company directly operates to achieve its objectives without having to change its way of government employees.
- *The second level:* the company which faces new objectives it has set for itself need to change the activities of its employees and to condition them to learn new activities.
- *Third level:* this is a case which should be made a fundamental change in the entire organization and this will affect the culture.

A major contribution to the study of the concept of organizational change have given the researchers Van de Ven & Poole (1995), who have identified four basic theories to explain the phenomenon of change. These theories are run by different engines conceptual operating in different hierarchical levels. By sharing mode changes between descriptive and constructive authors identify four "ideal types":

- I. **Life Cycle.** This aspect combined organization is inevitably; in this case the environment influences the change so balanced in all hierarchies of the organization. Each stage is a precursor to the next stage, which depends on the preceding.
- II. **Engine technology:** In this case the organization sets as priori a target, which varies according to different situations and needs in order to pursue his goal. Change is thus seen as a process that will ultimately lead to the best result possible.
- III. **Changes dialectic:** This type is associated with the Hegelian concept, according to which organizations have to operate in an environment characterized by various forces

in opposition (as will the theory dialectic) and it is the dominance of one of the forces leading the organization towards the change

- IV. **Theory of evolution:** Changes are manifested through a continued cycle of three forces: (1) **the change** - should be understood as the creation of a new force, (2) **selection** - understood as the creation of a new form, (3) **the competition process** to eliminate ineffective and operating resources to minimize the other two forces.

A second contribution is the analysis conducted by Wieck & Quinn (1984) to add *the time variable* in the study of the change, which is classified in two groups change, constant changes and episodic changes. Another contribution to the change is given by Brunetti & Coda (1984) who are more focused on the difficulties to the change management.

### **The role of human resources in the processes of change**

Before entering on the subject of resistance to the change, is best to briefly clarify what is the role of human resources within a business organization.

Human resources in an organization is considered as a very important factor to keep a sustainable advantage (Spencer&Spencer, 1993). Persons representing a key factor that allows the organization to make a difference in comparison with its competitors and successfully pursue their strategies. Many managers see that human resources are a decisive factor to allow organizations generate better for customers by developing a strong identity in the service, to promote the process of innovation, to activate and manage a network's relations and alliances with partners both internal and external rationalize its assets organizational and seek a structure costs more competitive, to pass successfully and efficiently stages delicate in the development of society, to take all opportunities of innovation and development arising from technological progress, integrate successfully different cultures that exist in society, to promote and stimulate the change is within the organization.

At this early stage of the change, it is important to be personified all the factors that are associated with the evolution of the business driving towards a revision of strategies on the performance of human resources.

### **Resistance to change**

Although the significance of the change is necessary for the organization, it is necessary to note the resistances which has the change. Since the '70s Rugiadini made a classification for this phenomenon:

- Emotive resistance that follow the change, which are aimed at rationalization of duties, without changing the content.

- Transitional resistance, which comes from tasking programming that causes a modification of the tasks and relationships between groups of workers. It is a transitional resistance that tends to weaken the provision of new tasks to the group that made the investment.
- Resistance to the fundamental and radical changes, so that brings a derivation of data on the effects of centralization or decentralization.

Once identified phenomenon, research is oriented on preparing a useful model to interpret and manage the change. Interesting results the Salvemini model (1981) which is based on three separate stages of the change process: in the first stage must understand the reasons for the change, the outside ambient pressure to the change; the second stage should be to organize and describe the process forces (time, roles, power of resistance); in the last phase must be planned intervention to the change intended a greater efficiency.

### **Kurt Lewin model**

A highly necessary to manage the change and to study relevant to this resistance is set forth in the "force field" Lewin model. This model defines a particular organization as a system in equilibrium as a result of the combination of two equal forces, they are operating in opposite directions, which are labeled as *driving forces*. To do this, Lewin proposes a model based on three stages:

- 1) The merger of present level: at this stage of the economic agent acts to dismantle beliefs and practices within the organization confirmed.
- 2) Change: at this stage is passed to a new level
- 3) Freezing: mean the consolidation phase that occurs positions obtained from the previous phase.

As noted Lewin, it is very important the worker participation in the change process. However, there are limitations inherent in this model like to the fact that not analyze properly the causes of this phenomenon. Merit must nevertheless recognize that the author has made an original interpretation of the change process.

According to the Lewin model, researchers Kotter & Schelsinger (1979) have identified four main reasons:

1. Fear of the consequences of unsafe change, (no one knows what will really happen after the change, then fears for workplace).
2. The desire to protect personal and organizational interests
3. Tolerance of poor change due to anxiety by the ignorance to cope with change (ie due to the omission or loss of job through ignorance).

4. Perceptions differ on the priority needs of the organization. (Not all are in agreement on what needs to change really, what this organization needs).

Two other researchers, Tichy & Devanna (1989) identified mainly three reasons to change:

- 1) *Technical reasons*, are both within the organization and within individuals. Refers mainly inertia of individuals fear that the unknown and fear of irrecoverable costs that are failing.
- 2) *Reason policy*: these refer to the reports within the organization, among them remember the threat of losing power (between the old guard and the new created after the change) and allegations of leadership (leaders on changes need to accuse and blame their actions Previous)
- 3) *Cultural reasons*, an organization can highlight certain values rather than others, and this makes it difficult to change.

### **Management of change**

Since the change, directly interested persons can affirm that this process can not be "closed" within a strict procedure; contrary to the concept of change pass in managing change (change management) which should take into account all the necessary flexibility to deal with precisely this innovative practice.

It is to be noted that already many organizations and many of their managers have noted that the kindness and the accuracy of the projects are not enough to represent success factors and indeed, if it is not accompanied systematically coherence and transparency in all stages of change it may be sterile. On the other hand, very few managers are willing to invest time and money in "architecture" hierarchical removing consolidated rates and rooted in an organization; This is essentially the purpose of this complex process which can be defined change management.

It is important to remember that in the '90s Chan Kim and Renee Mauborget were aware that individuals and groups of individuals adopt new behaviors not only in relation to the expected results, but also in recognition of the correctness of the process that produced results. So in order to implement new procedures within a process of organizational change, it is important enough to pay attention to people's involvement in the decisions that affect them, to understand and to make the decision together and demonstrated consistency demand that the latter are perceived. These considerations highlight, moreover, the need to describe, for structured and formalized change management process.

One of the early works of John Kotter is precisely directed to this end. Kotter's contribution allows us to theorize a model formed in 8 stages which are:

1. There must be shown to individuals in the organization's position, prospects and evolution of the sector, thus being shown opportunities offered by the change.
2. you should find a "guiding coalition" as a group that has a power sufficient visibility to take the initiative to change.
3. It should establish a strategy and a vision of scrutiny throughout the change process
4. Should efficiency to communicate that vision throughout the organization.
5. It should be some people within the organization the authority to modify the structures that prevent change.
6. you should find significant improvements and shared with all individuals, to make them active in this process.
7. It should consolidate successes Short credibility, fundamental to generate new changes.
8. It must be ensured that everything achieved should be institutionalized within an organization more efficient and with a new culture.

This model aims to highlight the importance of an investment quite important in the energy and dedication, after the change, while to be successful, you can not configure the procedures of formation and communication, implemented by managers of "human resources" but should change management, which implies a more streamlined process.

## CONCLUSIONS

The work done in this article has given us the opportunity to examine the concept of organizational change, which is defined as a process, ie, a set of events new to which they attributed importance by individuals or by the organization, closely linked completion which should reach that can be considered more or less desirable. Confirming the importance of organizational change is the economic reality, should be seen in the current competitive context in which the pace of change and adjustment of the various companies is intensifying more becoming a critical factor in the success or failure of a company.

The concept of resistance to change is closely related to organizational change. This concept is considered as a natural physiological phenomenon, both for individuals and for organizations. But it should be noted that this element analysis has led us to conclude that resistance to change is a critical factor for the success or failure of the implementation of the project of change, it follows that should be considered by senior managers. We can say that the point of support lies in the ability to manage change, which should be sought in a formula company that is able to overcome the resistance that comes from the behavior of individuals.

We want to conclude this work with a final opinion Silvestri (2006) "If the heart of the success of changing people's behavior, this must start with a coherent and intensive work on

the definition of the beginning, competencies and motivations. Building a human capital that ensures excellent behavior can not pass on all the levers typical human resource management, a new cultural perspective of a real strategy.”

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