
IMPACT OF ORGANIZATION CHANGE ON EMPLOYEES PERFORMANCE IN MARUTI SUZUKI

Dr. K.K.Kansal¹,

Assistant Professor NAS Degree College Meerut

Ashutosh Singh²

Research Scholar, Uttrakhand Technical University, Dehradun

ABSTRACT

Change management is very important topic, which is researched, discussed and written in past few years very frequently. It has no wonder because Change is quite inevitable due to tremendous foreseen internal and external environmental pressures. Companies those want to sustain their self and want to take the advantage of this competition must face change.

There are many questions comes in front when change is going to implemented by a company like what type of change it would be and are really it needed by the organization. What would the period when company is going to adopt changes in its organization? And most importantly what would be the result of this change which is adopted by the organization. Studying change from employees' perspective is important. Creating positive attitude philosophy and practice leads to performance, quality, and service in an organization. Change creates a deeper impact on employee's attitude which reflects in the performance of employees. Maruti also makes some organization change in its company to take this advantage. Present study will focus on that how change creates impact on employee's performance at Maruti.

Key Words - Change Management, environmental pressure, Performance Management, Employees Attitude, & Competition.

Introduction-

Change management is defined as a shift from its current position to desired position of an individual, team and organization. Change helps employees to enhance the potential of employees and organization so that they can survive in this competitive world.

In developing and competitive era of globalization organization has a force to differentiate theme self from their competitor for coping with changing environment. In dynamic environment it is very necessary for all organizations to adopt change so that they can stand against to intense competition.

Performance of employees:

Performance defined as the degree of accomplishment and achievement of task of an individual. Mostly people are very confused related to performance and effort. Performance is measurement of result while effort can be used for contribution and energy.

Maruti Suzuki

Maruti Suzuki is originated in 1982 in Gurgaon Haryana. After that Maruti spread in New Delhi. Maruti is now become the prominent in automobile industry in India. Maruti Suzuki 800 hit the street which creates a new chapter in automobile industry. In 2007 Maruti takes a big turnaround in the history of automobile manufacture in India.

Literature Review-

In present scenario organizational change is very important process rather than a trouble to business equilibrium (Nicolaidis, 2007). According to Mossholder et al. (2000) as mentioned in (Nicolaidis, 2007) change is very complex and constant and happens at a greater volume. Organizational change gives significant event which construct, modified, destruct values and beliefs. (Gray, Bougon, and Donnellon, 1985) as mentioned in (Roger and James, 1988).

According to McNamara, organizational change is big term which includes a very huge range such as technology change, Mergers and acquisitions, Restructuring of organization, employees retention, layoff, rightsizing etc.

Laura (2007) describe that the organizational change is not only for product and services it also include organization like changes in machine at organizational level, employees retention, mergers and acquisitions.

According to Tichy (1983) organizational change is viewed as the launching and adding a new series of action, belief and attitude among considerable segments of a population. Reason behind this is that opportunities arise at external and internal environment.

Now a day many companies are facing current challenges and need to put more concentration on increasing employees performance, hence to connect in valuable performance, manager need to let employees to have more power to design their job and role. Thus employees will find their job more fit between need skills and value. (Gruman and saks 2011)

Research Methodology-

Research methodology is systematic procedure of solving the research problem. Research Methodology is refers as Systematic planning scientific exploration selection of appropriate research design, sampling techniques, accurate source of data collection of data, careful tabulation and finally appropriate tools and techniques for data analysis.

Objective of the Research

- To examine the impact of organizational change on the performance of employees of with respect to gender.
- To study the impact of organizational change on the performance of employees of different departments.
- To identify the impact of organizational change on the performance of employees of different designation.

Hypothesis of Research-

To keeping the mind of objectives following hypothesis has been constructed.

Hypothesis 1- There is no significance difference of organizational change and performance of male and female employees.

Hypothesis 2- There is no significance difference of organizational change and performance of employees of different designation.

Hypothesis 3- There is no significance difference of organizational change and performance of employees of different departments.

Data Collection –

Both the Primary and Secondary data has been used. In this research the primary data has been collected from Questionnaire. Secondary data has been collected from the reports, books, & journals etc.

Tools Used-

Chi square Test was used for study of impact of organizational change on employee’s performance.

Procedure-

The study is conducted in Maruti located at gurgaon. Researcher personally meets the employees of Maruti by taking prior permission with appropriate authority of company for collecting data. Data was collected of 200 employees of Maruti. Employees were assured that their response would be confidential and it will only use for research work.

Data Analysis –

HYPOTHESIS-There is no significance difference of organizational change and performance of male and female employees.

Gender * Impact on performance

Cross-table

		Impact on performance				
		No change	Favourable change	Unfavourable change	Total	
Gender	Male	Count	5	60	53	118
		Expected count	11.2	47.2	59.6	118.0
	Female	Count	14	20	48	82
		Expected count	7.8	32.8	41.4	82.0
	Total	Count	19	80	101	200
		Expected count	19.0	80.0	101.0	200.0

Out of 200 employees 118 employees were male and 82 employees were female. Table shows that 5 male employees feel that they do not have any impact of change on their performance. 60 male employees feel that change is having a favourable impact on their performance and rest 53 male employees feel that change having adverse impact on their performance. On the other hand 14 female employees feel that they do not have any impact of change on their performance. 20 female employees feel that change is having a favourable impact on their performance and rest 48 female employees feel that change having adverse impact on their performance

Table shows that female employees have more negative impact of change on their performance in compression of male.

Chi Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.634 ^a	2	.000
Likelihood Ratio	19.101	2	.000
Linear-by-Linear Association	.007	1	.934
N of Valid Cases	200		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.79

Results-

From chi square tests table the value of Chi square =18.634 and p value is 0.000 which is less than 0.005 thus null hypothesis is rejected. It shows that both male and female is having deep impact of organizational change on their performance.

HYPOTHESIS-There is no significance difference of organizational change and performance of employees of different designation.

Designation* Impact on Performance

Crosstable

			Impact on performance			
			No change	Favourable change	Unfavourable change	Total
Designation	Manager	Count	4	22	37	63
		Expected count	6.0	25.2	31.8	63.0
	Junior manager	Count	12	30	39	81
		Expected count	7.7	32.4	40.9	81.0
	Supervisor	Count	0	26	16	42
		Expected count	4.0	16.8	21.2	42.0
	Engineer	Count	3	2	9	14
		Expected count	1.3	5.6	7.1	14.0
Total	Count	19	80	101	200	
	Expected count	19.0	80.0	101.0	200.0	

Table shows that 4 managers feel that they do not have any impact of change on their performance. 22 managers feel that change is having a favourable impact on their performance and 37 managers feel that change having adverse impact on their performance. While in case of junior manager this ratio is 12, 30, 39, for supervisor this ratio is 0, 26, 16 and for Engineers this ratio is 3, 2, 9.

Table shows Manager Junior Manager and Engineers is having negative impact of change on their performance while in case of supervisor having positive impact of change on their performance.

Chi Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.831 ^a	6	.003
Likelihood Ratio	23.096	6	.001
Linear-by-Linear Association	.888	1	.346
N of Valid Cases	200		

a. 2 cells (16.7%) have expected count less than 5. The minimum expected count is 1.33.

b.

Results-

From chi square tests table the value of Chi square =19.831 and p value is 0.003 which is less than 0.005 thus null hypothesis is rejected. It shows that there is impact of change on the employees of Maruti having different designations because they all have to face a new way of working which they resist.

HYPOTHESIS- To Study the impact of organizational change on the performance of employees of different Departments.

			Impact on performance			
			No change	Favourable change	Unfavourable change	Total
Department	HR	Count	0	11	19	30
		Expected Count	2.9	12.0	15.2	30.0
	Marketing	Count	10	5	33	48
		Expected Count	4.6	19.2	24.2	48.0
	Operations	Count	4	41	21	66
		Expected Count	6.3	26.4	33.3	66.0
	Technical	Count	2	3	14	19
		Expected Count	1.8	7.6	9.6	19.0
	Finance	Count	3	20	14	37
		Expected Count	3.5	14.8	18.7	37.0
	Total	Count	19	80	101	200
		Expected Count	19.0	80.0	101.0	200.0

Table shows that in HR Department of Maruti 11 employees were in favour of change while 19 employees were resist change because they perceived change negatively. In marketing 10 employees were not having any impact while 5 feel favourable and 33 employees were feeling unfavourable impact of change on their performance. Talking about operations ratio was 4,41,21, Technical ratio was 2,3,14 and in finance department ratio was 3,20,14 respectively.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	45.432 ^a	8	.000
Likelihood Ratio	50.825	8	.000
Linear-by-Linear Association	3.000	1	.083
N of Valid Cases	200		

a. 4 cells (26.7%) have expected count less than 5. The minimum expected count is 1.81.

Results-

From chi square tests table the value of Chi square =45.432 and p value is 0.000 which is less than 0.005 thus null hypothesis is rejected. It shows that employees of different department having same impact of organizational change on their performance.

Limitations -

- As this study was of Maruti Suzuki the findings of research is not applicable in broader context.
- Limited number of employees who was participated in research because employees of the Maruti Suzuki were not interested in giving response.
- Due to the time, and facilities limitation in supporting the researchers to carry out this research, this indirectly will influence the comprehension of this research.

Conclusion-

Research shows that organizational change has a deeper impact on the performance of employees. After applying the chi-square test result depicted that both male and feel performances get affected by the organizational change. Male employees is having less impact on the performance due to change on the other hand female employees is having deeper impact. Employees of different designations and departments of the Maruti is also having a deeper impact on the performance of employees Maruti.

Bibliography-

- Anderson, R. L., College, B., & Terborg, J. R. (1988). Employee beliefs and support for a work redesign intervention. *Journal of Management*, 14(3), 493-503.
- Appelbaum, S. (1998). Strategic organizational change: The role of leadership, learning, motivation and productivity. *Journal of Management*, 5(36), 289-301.
- Armenakis, A. A., & Bedeian, A. G. (1999). Organizational change: a review of theory and research in the 1990s. *Journal of Management*, 25(3), 1-15.
- Aryee, S., Chen, Z. H., & Budhwar, P. S. (2004). Exchange fairness and employee performance: An examination of the relationship between organizational politics and procedural justice. *Organizational Behavior and Human Decision Processes*, 94(1), 1-14.
- Avey, J., Wernsing, T., & Luthans, F. (2008). Can positive employees help positive organizational change? Impact of psychological capital and emotions on relevant attitudes and behaviours. *Journal of Applied Behavioral Science*, 1(44), 48-70.
- Bai, X. J., & Zhou, F. (n.d.). The employee's performance management in view of psychological boundaries. *Journal of Economic and Management*, 355-359. Page 137 of 166
- Bartel, A. P., Freeman, R. B., Ichniowski, C., & Kleiner, M.M. (2011). Can a workplace have an attitude problem? Workplace effects on employee attitudes and organizational performance. *Labour Economics*, 18(4), 411-423.
- Carter, L., & Gray, D. (2007). Relational competence, internal market orientation and employee performance. *The Marketing Review*, 7(4), 385-400.

- Contartesi, R. A. (2010). School climate: A correlational analysis of superintendent leadership communication and employee performance. *University of Phoenix*, 1-8.
- Chen, A. S.-Y., Hou, Y.-H., & Fan, K.-T. (2009). The effect of organizational change on team creativity, job satisfaction, organizational commitment, and work performance. *Proceedings of ASBBS*, 16(1), 1-5.
- Dahlberg, L. C. (2007). Supervisor-Subordinate communication during organizational change: The effects in employee trust and morale. *Queens University of Charlotte*, 1-13
- Gruman, J. A., & Saks, A. M. (2011). Performance management and employee. *Human Resource Management Review*, 21 (2), 123-136.
- Nicolaidis, C., & Katsaros, K. (2007). Emotions towards change : ==A case of Northern Greek ICT Industry||. 7th Global Conference on Business & Economics, 1-30.
- Tichy, N.M.(1983). *Managing Strategic Change : Technical, Political and Cultural Dynamics*. New York :Wiley.