

Change Management Process: An Integrated Analysis of the Importance of Effective Communication in an Organization

Elisa Ehinmilorin

Westcliff University Irvine, Department of Business Administration,
17877 Von Karman Avenue #400, Irvine, California 92614
Email: e.ehinmilorin.300@westcliff.edu

Abstract

Effective communication can be regarded as the bedrock of all successful businesses. The study investigated the role of effective communication in change management in an organization. The target population was top organizations in Nigeria. The study employed convenient sampling technique in which 140 respondents who were both employees and employers of the various organizations were determined as the sample size. The core principles of change management formed the theoretical basis for the study. The study employed the ex-post factor research design based on qualitative and quantitative research approach in the research process. Descriptive statistics based on graphical presentation of findings and inferential statistics using the Binary Logit Model (BLM) were employed as analytical techniques. The findings of the study revealed that the respondents who were specialists in their respective fields and having requisite years of working experience supported the view that effective communication has a highly significant role in change management in an organization. Similarly, the result of the Binary Logit Model revealed that effective communication causes approximately 34% increase in the variation of change management in an organization. Also, the Wald test ratio revealed that effective communication was statistically significant to change management at the 10% level of significance. Overall, the study concludes that effective communication is a sine qua non for organizational change management. Therefore, it is recommended that for change management processes to yield the require outcome, organizational leaders should inculcate effective communication mechanisms into all organizational operations.

Keywords: Effective Communication, Change Management

DOI: 10.7176/EJBM/13-24-01

Publication date: December 31st 2021

1.0 Introduction

The process of change is difficult and requires the effort of both employees and management in order for such change to be affected. As pointed out by Harvey et al. (2001) and Champy et al. (1996) out of all which tend to guarantee a smooth process of change within organizations, the importance of effective communication cannot be overemphasized. Effective communication is necessary for effecting, promoting and sustaining organizational change. Effective communication as noted by Schweiger et al. (1991) refers to all forms of communication done in ways such that ideas, precepts and concepts made known to others are effectively, accurately and adequately understood and acted upon. On the other hand, Robertson et al. (1993) stated that effective communication is the process of sharing information, thoughts and knowledge in a way that ensures that the purpose behind such is attained. In their work Smelzer et al (1992) and Armenakis et al. (2002) noted that effective communication transcends the sending and receiving of information to the emotions that govern such process. The concept of effective communication is generic and cuts across ways in which information achieves its desired purpose. This shows that for effective communication to achieve its required purpose, it must be acted upon by the receivers. Researchers (Buono et al. 1993, Mayer et al. 1995 and Dirks et al. 2001) noted that for effective communication to be complete, both the receiver and sender must adequately act upon the information. They further stated that effective communication stands as one of the topmost areas of concerns for firms and organizations. Research shows that poor communication results in lost productivity in most firms. In support of this argument, Daly et al. (2003) stated that effective communication is fundamental for accurate understanding of organizational objectives.

Without proper understanding of organizational objectives, there will be discord and lack of alignment of organizational processes (Clampitt et al. 2000). In explaining the importance of effective communication, Jones et al (2018) and Mayer et al. (1995) stated that for communication to be effective, organizations must understand the seven C's of effective communication. These include; coherent, concrete, completeness, commitment, courteous, clarity and consistency. For communication to be effective in the workplace, it has to be presented in a logical manner to suit understanding. Also, effective communication has to be clear and precise. It has to be done in a consistent manner and must be concrete, complete courteous and committed. Overall, effective communication is an integral part of all organizational processes (Goodman et al. 2016 and Armenakis et al. 2002). As pointed out by Dirks et al. (2001) effective communication promotes togetherness and teamwork among employees. This is important for facilitating better organizational performance. Accordingly, Clampitt et al. (2000) noted that with effective communication, issues of ambiguities, intolerance and misunderstanding are grossly eliminated. Part of

the benefits of promoting effective communication as noted by Goodman et al. (2016) comes from the fact that effective communication helps in ensuring improved employee engagement and participation in the workplace. When people communicate freely and effectively, there will be better flow of ideas and knowledge which will transmute into higher productivity and improved organizational performance.

Lewis et al. (1998) stated that change management refers to all mediums set aside in supporting, preparing, and assisting organizations and individuals in making and adjusting efficiently to organizational change. According to scholars, change management is not an instantaneous phenomenon and cannot occur at a moment (Smelzer et al. 1992 and Armenakis et al. 2002). Particularly, change management involves several aligning processes. This is based on the fact that the process of change is usually not a smooth run and is characterized by several humps and discontinuities. A better definition of change management was put forward by Clappitt et al. (2000) when he opined that change management refers to the systematic method employed in the transformation and transition process of organizations. Organizations go through several kinds of change at different periods. Smelzer et al. (1992) noted that despite being unavoidable change is painful and useful for organizational growth. For an organization to grow and attain its objectives, it needs to imbibe and incorporate certain levels of change at several points. Change shows improvement and implies that an organization is incorporating new ideas and new ways of doing things. Without change there cannot be progress in any organization. Change is the precursor for organizational progress (Goodman et al. 2016 and Clappitt et al. 2000). Therefore, the management of change is not just imperative, it is indispensable. For better understanding of change management, researchers (Garnet et al. 2000 and Dirks et al. 2001) opined that there are four principles of effective change management. These core principles include; implementing change, understanding change, planning change and communicating change. Every change needs to be planned for, understood by all stakeholders, communicated effectively and accurately implemented. Given that change is a fundamental aspect of all organizations, then management such change is a top priority objective for managers. Out of these core principles of change management, this study seeks to evaluate the roles of effective communication in change management in an organization.

2.0 Literature Review

The concept of effective communication has been variously defined and conceptualized. Goodman et al. (2016) view effective communication as those interactive approaches involved in the attainment of organizational goals and objectives. According to Heracleous et al. (2002) for communication to be truly effective, it must be able to pass information on both verbal and non-verbal basis and also must be able interactive requiring response from all parties involved in the communication process. The seven C's of effective communication which consists of the fact that for communication to be considered effective it must be coherent, committed, consistent, concrete, courteous, complete and clear. To be coherent refers to the tendency of ideas, thoughts or information being supported by factual data or evidence. This leaves no room for further imagination by the audience or any form of doubt. As pointed out by Dirks et al. (2001), for communication to be coherent in the workplace, it needs to be well-planned and arranged in sequential and logical manner to enable the required audience gain full understanding of the content of such information. Furthermore, commitment is a fundamental aspect of communication in an organization. When information is not transmitted in committed ways it does not create the necessary impact (Heracleous et al. 2002 and Robertson et al. 1993). In the same vein, effective communication is that which is done in clear and precise ways. The information should be stated in ways such that it will be as simple as possible in formats and mediums appealing to the audience. Effective information should be short, lacking complex statements and must not create rooms for audience to make imaginary assumptions from the information. Also, Schneider et al. (1983) noted that the choice of words is a major aspect of ensuring effective communication. To guarantee effective communication, words and statements should not be confusing, the tone of voice employed should be used consistently. In support of this view, Armenakis et al. (2002) stated that effective communication must not have incomplete sentences and must always end with a concise concluding remark. Effective communication should not be done in ways that will leave the audience wondering and expecting information where it does not exist. Overall, for communication to be effective in an organization, it should be done in respectful ways.

Change management as viewed by Goodman et al. (2016) refers to the management of organization process of restructuring and reconfiguration of all work, strategies, hierarchy and procedures. Change management is fundamental to the attainment of organizational goal. There are four core principles of change management which include; implementing change, understanding change, planning change and communicating change. The area of understanding change looks into issues such as the importance of change, benefits of change to the present state of the organization, the likelihood of change positively impacting employees, the requirements for guaranteeing a successful change process (Robertson et al. 1993 and Goodman et al. 2016). The aspect of change planning as noted by Schneider et al. (1983) considers issues such as impact of change, the tendency of change winning majority support, what will be involved in the change process, the mode of sponsorship of change. The aspect of change implementation cuts across issues such as; success criteria, key stakeholders, rate of involvement, rate of

adjustment and training needs. The addressing of these issues is necessary for successfully implementing change. The communication of change as noted by Heracleous et al. (2002) looks at ways in which the vision and mission statements are effectively passed across to all team members. Overall, communication involves issues such as; knowledge, awareness, ability, desire, and reinforcement.

There is lack of adequate empirical studies on effective communication and change management in an organization. However, the study by Bandura (1997) revealed that clear and consistent communication is fundamental in ensuring a smooth downsizing and restructuring process in a study involving Canada's top organizations. In another study, Lewis (2000) noted that communication was significant and also one of the problematic factors influencing the implementation of change in some selected organizations in the United States. Several other studies have supported the idea that effective communication is essential for promoting change. Armenakis and Harris carried out a study on ways to develop messages in which they identified five different domains of messages within the organizational change process. (Armenakis et al. 2002). Other studies showed that Clampit et al.(2000) studied effective strategies used by organizational managers in transmitting change in the organization. Also, Lewis (1999) in trying to understand issues of effective communication and organizational change carried a study whose focus was on processes used in effecting communication change in organization. Overall, the findings of the researchers revealed that both external and internal communication approaches are important for change management in the organization. Therefore, these empirical studies have assisted in adequately understanding issues of communication and change management in an organization and have supported the view that effective communication involving both internal and external communication is imperative for creating, promoting and sustaining organizational change.

3.0 Methodology

3.1 Research Design

The study employed the ex-post facto research design. As pointed out by Rani (2014), the ex-post factor research is one of the popularly used designs in investigating relationships between variables through the use of graphical illustrations and inferential statistics.

3.2 Research Approach

To empirically investigate effective communication and change management in an organization, the study employed the quantitative and qualitative research approach. The use of graphical illustration of the responses gotten from respondents was aided by qualitative reasoning while the use of Logit Regression analysis was aided by qualitative research approach.

3.3 Target Population

Target population refers to all members forming part of the group or setting from which the research data is extracted. The target population for this study consists of top organizations in Nigeria. All employees and employers of these organizations are part of the target population. This is done in order to avoid bias or prejudice coming from either the employees or the employers. Overall, this is done in order to effectively investigate the role of effective communication in change management process in an organization.

3.4 Sampling Technique

The study employed the convenient sampling technique in selecting a total number of 143 sample size. This was done through the use of a well-developed and structured questionnaire titled; "A questionnaire on effective communication and change management in an organization." The questionnaire was developed in ways such that ethical issues and issues of anonymity were adequately observed. Overall, out of the 143-questionnaire administered, 122 was adequately filed and delivered. This shows a return rate of approximately 85%.

4.0 Method of Data Analysis

The method of analyzing data gotten from respondents was done based on what was obtainable in the literature. The study employed descriptive statistics through the use of graph and also inferential statistics through the use of Binary Logit model (BLM) of estimation. The Binary Logit model is employed being that it is suitable for estimation models with discrete data.

4.1 Model Specification

To capture the role of effective communication in change management in an organization, the study employed the Binary Logit Model of estimation such that if effective communication has an important role, it equals 1 and if not, it equals 0. This model is based on the core principles of change management in an organization explained above. These core values which determine the process of change management in an organization will comprise the control variables and they are; effective communication, change implementation, planning change and

understanding change. The model is analyzed such that if respondents supported the view that effective communication is important in change management the probability of the respondents' choice being correct is given as P_i and the probability that respondents choice is incorrect if given as $1-P_i$. Given the above, the model is specified as;

$$Y = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \alpha_4 X_4 + U_t \dots \dots \dots (1)$$

Where; Y = The dichotomous endogenous variable which was proxied as; Y = 1, if respondents support the idea that effective communication is important in change management in the organization, Y = 0, if respondents do not support the idea that effective communication is important in change management in the organization

α_0 = intercept

$\alpha_1 - \alpha_4$ = Partial regression coefficients reflecting the probability of each explanatory variable impacting Y.

U_t = Stochastic Disturbance Term

Given the above the implicit representation of the model is given as;

$$Y = f(X_1, X_2, X_3, X_4, U_t)$$

Y = Change management

X_1 to X_4 = The control variables. They are given below as;

X_1 = Effective communication (EC) (Low = 1, Moderate = 2, High = 3)

X_2 = Implementing change (IC) (Low = 1, Moderate = 2, High = 3)

X_3 = Understanding change (UC) (Low = 1, Moderate = 2, High = 3)

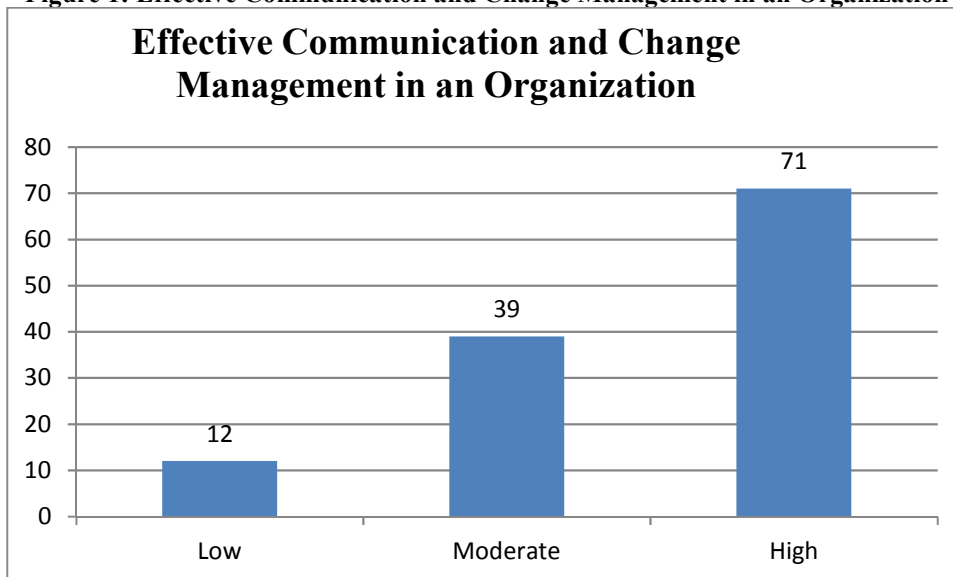
X_4 = Planning change (PC) (Low = 1, Moderate = 2, High = 3)

4.2 Results

Descriptive analysis of Effective Communication and Change Management in an Organization

To address the study's primary aim, which is to determine if effective communication is essential for an organization's change management process, the study used the Likert scale statistical approach, in which respondents were asked to express their level of support for the concept that effective communication is necessary for an organization's change management process. This Likert scale approach was designed so that respondents may choose from one to three options: low, moderate, or high. According to this structure, respondents who believe that good communication is critical for effective change management in a company chose the high choice. In addition, those who believe that good communication is not required for change management chose the low choice. Respondents who believe that good communication is fairly crucial for organizational change management chose the moderate option. The chart below displays all of the respondents' replies.;

Figure 1: Effective Communication and Change Management in an Organization



Source; Researcher's Computations

From the chart above, it can be observed that of the total number of 122 respondents who gave their view as regards the role of effective communication in the change management process of an organization, 12 persons comprising approximately 9.8% of the total respondents chose the low option. Therefore, it is the view of the 12 respondents that effective communication is not necessary in the change management process of an organization. In the same vein, 39 of the 122 respondents who comprise approximately 32% of the respondents chose moderate option. This implies that 32% of the total respondents are of the view that effective communication is moderately important for change management process in an organization. Furthermore, the chart shows that 71 of the 122

respondents which comprise approximately 58.2% of the total respondents are of the view that effective communication is highly important for change management process in an organization. Overall, the descriptive analysis revealed that majority of the respondents who are experts in their respective field in the organization having requisite number of working experiences noted that effective communication is a fundamental determinant of change management process in an organization.

Table 1: Result of the Binary Logit Regression Model

Regressors	Coefficients	Wald Ratio	Probability Value	Odds Ratio
Intercept	-1.345	12.421	0.034	0.091
EC	0.343	3.456*	0.076	2.345
IC	-0.672	2.978*	0.243	3.782
UC	2.357	22.363**	0.001	1.659
PC	-0.866	2.781***	0.034	2.348

Source: Researcher's Computation Using SPSS (2021).

$X^2 = 2831.932$ P-value = 0.0000; $R^2 = 0.853$; *** shows that p-value significant at 1%; ** shows that p-value is significant at 5%; * shows that p-value is significant at 10%.

5.0 Discussion

Given the Binary Logit Model (BLM) based on the core principles of change management the regressors employed for this study were effective communication (EC), implementing change (IC), understanding change (UC) and planning change (PC). The dependent variable was change management and the objective of the study was to evaluate the role of effective management in the change management process of an organization. Generally, given that there are many possible factors which are important for change management process the study seeks to evaluate the aspect of effective communication. The result of the Binary Logit Model (BLM) revealed that effective communication and understanding change were positively related to change management in an organization. This implies that the more effective communication is in an organization and the more understanding of change in the organization the more will be effectiveness of change management process. On the other hand, implementing change and planning change were found to be negatively related to change management in the organization.

Essentially, looking at the partial regression coefficients of the regressors, the coefficients in table 1 show the variation in change management that would occur for any change in the regressors (effective communication, implementing change, understanding change and planning change). From the results it was revealed that effective communication causes approximately 34% increase in the variation of change management in an organization. Also, implementing change causes approximately 67% decrease in the variation of change management in an organization. Furthermore, the result showed that understanding change causes approximately 236% increase in the variation of change management in an organization. Finally, planning change was found to cause approximately, 87% decrease in the variation of change management in an organization.

Accordingly, looking at the individual significance of the explanatory variables to the dependent variables the Wald ratio test revealed that effective communication was statistically significant to change management at the 10% level of significance. Also, implementing change was found to be statistically significant to change management at the 10% level of significance. Similarly, understanding change was found to be statistically significant to change management at the 5% level of significance. Finally, the Wald ratio test revealed that planning change was found to be statistically significant to change management at the 1% level of significance.

In testing the joint significance of the explanatory variables (effective communication, implementing change, understanding change and planning change) which is also regarded as the overall significance of the model the Chi-square (X^2) test was employed. The result revealed that the model is robust and statistically significance given a Chi-square (X^2) statistic of 2831.932 and a corresponding probability value of 0.0000 which is less than the 1%, 5% and 10% critical values. This shows that there is joint significance of the explanatory variables employed in the study. Given the above result, the study rejects the null hypothesis which states that effective communication plays no significant role in change management process of an organization and accepts the alternative which states that effective communication plays a significant role in change management process of an organization.

In the same vein, to test the extent to which the explanatory variables cause variations in the dependent variable, the coefficient of multiple determination was employed for that purpose. The coefficient of multiple determination (R^2) was found to be 0.853 and indicates that approximately 85% of the total variation in change management is explained by effective communication, implementing change, understanding change and planning change. The remaining 0.147 is attributed to the stochastic disturbance term in the model. Therefore, the result implies that the model is accurately fitted and has a strong explanatory power.

Overall, the odds ratio measures the probability that the respondents support the idea that change management

process is better influenced by effective communication. Therefore, the probability that effective communication affects change management process in an organization than other explanatory variables is given by approximately 2.35 to 1 in every organization. This indicates that of every 100 organizations, effective communication will have greatest role in influencing change management in 2 of those 100 organizations.

6.0 Conclusion

The study investigated the role of effective communication on change management in an organization. Effective communication has been known to be an important aspect of organizational change management process. The theoretical foundation for the study was based on the core principles of change management which involves effective communication, implementing change, understanding change and planning change. The study employed the ex-post factor research design based on qualitative and quantitative research approach. The target population for the study comprised of all employees and employers of reputable organizations in Nigeria. The study employed convenient sampling technique in selecting a total of 140 sample size out of which 122 questionnaires were accurately returned. The study employed descriptive statistics through the use of graph and inferential statistics through the use of Binary Logit Model (BLM). The descriptive statistics revealed that majority of the respondents supported the view that effective communication is highly important for change management in an organization. Similarly, the result of the Binary Logit Model revealed that effective communication causes approximately 34% increase in the variation of change management in an organization. Also, the Wald test ratio revealed that effective communication was statistically significant to change management at the 10% level of significance. Overall, the study concludes that effective communication is a sine qua non for organizational change management. Therefore, it is recommended that for change management processes to yield the require outcome, organizational leaders should inculcate effective communication mechanisms into all organizational operations.

References

- Armenakis, A.A. and Harris, S.G. 2002. "Crafting a change management to create transformational readiness", *Journal of Organizational Change Management*, Vol. 15 No. 2, pp. 169-83.
- Bandura, A. 1997. *Self-efficacy. The Exercise of Control*, W.H. Freeman and Company, New York, NY.
- Buono, A. and Bowditch, J. 1993. *The Human Side of Mergers and Acquisitions*, Jossey-Bass, San Francisco, CA.
- Champy, J. and Nohria, N. 1996. *Fast Forward: The Best Ideas on Managing Business Change*, Harvard Business Review Book Series, Boston, MA.
- Clampitt, P.G., DeKoch, R.J. and Cashman, T. 2000. "A strategy for communicating about uncertainty", *Academy of Management Executive*, Vol. 14 No. 4, pp. 41-57.
- Daly, F., Teague, P. and Kitchen, P. 2003. "Exploring the role of internal communication during organisational change", *Corporate Communications: An International Journal*, Vol. 8 No. 3, pp. 153-62.
- Dirks, K.T. and Ferrin, D.L. 2001. "The role of trust in organisational setting", *Organisational Science*, Vol. 12 No. 4, pp. 450-67.
- Garnet, J. and Kouzmin, A. 2000. "Strategic change in organisational communication: emerging trends for wealth formation in the new millennium", *Strategic Change* Vol. 9 No. 1, pp. 55-66.
- Goodman, P.S. and Dean, J.W. 2016. "Creating long-term organisational change", in Goodman, P.S. (Ed.), *Change in Communication*, Jossey-Bass, San Francisco, CA, pp. 226-79.
- Harvey, D. and Brown, D.R. 2001. *An Experiential Approach to Organization Development*, Prentice-Hall, Upper Saddle River, NJ.
- Heracleous, L. 2002. "The contribution of a discursive view in understanding and managing organisational change", *Strategic Change*, Vol. 11 No. 5, pp. 253-62.
- Jones, G. and George, J. 2018. "The experience and evolution of trust: implications for cooperation and teamwork", *Academy of Management Review*, Vol. 23 No. 3, pp. 531-46.
- Lewis, L.K. 1999. "Disseminating information and soliciting input during planned organizational change: implementers' targets, sources, and channels for communicating", *Management Communication Quarterly*, Vol. 13 No. 1, pp. 43-75.
- Lewis, L.K. and Seibold, D.R. 1998. "Reconceptualizing organisational change implementation as a communication problem: a review of literature and research agenda", in Roloff, M.E. (Ed.), *Communication Yearbook 21*, Sage, Beverly Hills, CA, pp. 93-151.
- Mayer, R.C., Davis, J.H. and Schoorman, F.D. 1995. "An integrative model of organizational trust", *Academy of Management Review*, Vol. 20 No. 3, pp. 709-34.
- Robertson, P.J., Roberts, D.R. and Porras, J.I. 1993. "Dynamics of planned organizational change: assessing empirical support for a theoretical model", *Academy of Management Journal*, Vol. 36 No. 3, pp. 619-34.
- Schneider, B. and Reichers, A.E. 1983. "On the etiology of climates", *Personnel Psychology*, Vol. 36 No. 1, pp. 19-39.
- Schweiger, D. and Denisi, A. 1991. "Communication with employees following a merger: a longitudinal

experiment”, Academy of Management Journal, Vol. 34 No. 1, pp. 110-35.
Smelzer, L.R. and Zener, M.F. 1992. “Development of a model for announcing major layoffs”, Group and Organisation Management: An International Journal, Vol. 17 No. 4, pp. 446 72.