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Managing Change in Nigerian Business Organizations

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Abstract
Change and uncertainty have become dominant features in today's work place all over the world. These phenomena have the potentials to make or mar the destiny of any organization. Our study is focused on the strategies for managing change and uncertainties in Nigerian Banks. The study sampled five Banks in the Port Harcourt; used questionnaire and oral interviews as research instruments. Data were obtained, presented and analyzed with simple percentages and frequency distribution tables. The findings were: (a) Nigerian workers embrace change if it is gradually introduced. (b) The mode of introducing change is the greatest determinant of its acceptability or otherwise. (c) Participative decision-making is the most efficacious and potent strategy for overcoming workers resistance to change. The study concluded that organizations and its members must be flexible enough to respond to change and uncertainty, and recommended that Nigerian organizations should encourage participative decision making, change should be introduced subtly after due communication and consultation with those to be affected; and organization should not use coercion in getting anyone to accept change because that could result in sabotage and many other bounce- back- effects.
Key Words: Change, Uncertainty, Resistance, and Participative Decision

1. Introduction

"The rate of change is not going to slow down anytime soon. If anything, competition in most industries will probably speed up even more in the next few decades" *John P. Kotter*

Change is said to be an inevitable phenomenon; for business organizations, it is a constant factor that must be lived with and managed. Call it what you wish; cultural renewal, reengineering, innovation, strategic redirection, merger, quality improvement, etc, we live in work organizations that are constantly, rapidly, and radically changing, and organizations can only remain aligned with their environment and thus survive by continuously transforming their operations, altering their values and reviewing their strategic thinking in order to function effectively.

To drive home the essence of change in organizations, Drucker, (1954:2), identified three types of formal organizations visa-vis their responses to changes. These include: those that make things happen, those that watch things happen, and those that wonder about what happened. He argued further that less formal organizations are managed by change while the outstanding organizations create change themselves. The impact of change in organization is pervasive, it encompasses all the stakeholders; ranging from stockholders to management, employees, customers, host communities etc, because change is a deviation from the normal ways of doing things, its challenges are less palatable than the comfort of familiar ways of doing things.

Change occurs from internal or external source, the internal causes of change borders on issues of rising employees expectation of work life balance, high rate of turnover and absenteeism, composition of gender and nationality of workforce etc, while the external causes may include increased business risk and volatility through dramatic collapses, global terrorism and militancy, international epidemic, globalization through increase acceptance of world -wide -web and reduction in national trade tariffs; government regulations and deregulations of markets, greater customer expectations for products and service quality and cost, greater competition from competitors as quality and cost improves across industries; all of these forces put together place today's business organizations at the mercy of change and uncertainties. Also they eventually affect the ways jobs are executed in the organization. Change is a process that requires actions, whichever way organization members reacts to change; it certainly has implications on the realization of corporate goals. Nigerian organizations are not insulated from change and its effects. Especially, Nigerian Banks that have regulatory agencies like the Central bank of Nigeria among who provide the platforms for Banks policies and monitor and The hence the need for our study on strategies for managing change and uncertainties in Nigerian organizations.

However, the following research questions were put forward to provide the needed compass that will lead us to the desired destination.

1. How do workers and employees of your organization react to change
2. Why do employees resist change in your organization?

3. What are the ways for managing resistance to change in Nigerian organization?

2. Literature Review

Concept of Change

Change is an alteration in people, structure or technology (Robbins and Coulter, 1999). On the other hand, change refers to any deviation from the normal way of doing things. It can equally be described as a significant alteration of structure, including consequences and manifestations embodied in the organizational culture and other components. To simplify this, organizational change refers to a total modification in the organization's dominant culture with varying consequences (Appleby 1981).

TO Palmer (2004), change is simply an alteration of an existing state or condition. According to him, change in itself is neither good nor bad; it is merely an observed difference between a past and a present. However, Okafor (1982) had earlier disagreed with this position where he argued that change could either be positive or negative. It is positive when it sparks off technological innovations and inventions thereby leading to better living conditions. Alternatively, it could be negative if it creates cultural lag or sparks off other forms of problems that are detrimental to human survival. Whatever may be the case, change more often than not is irresistible, irrevocable, and irreversible (Affonja and Pearce, 1986).

According to Robbins and Coulter (1999), if it weren't for change, the manager's job would be relatively easy; planning would be simple because tomorrow would be no different from today; the issue of effective organizational design would also be solved because the environment is free from uncertainties. Similarly, decision-making would be dramatically streamlined because the outcome of each alternative could be predicted with almost certain accuracy, but change has drastically reversed such trend.

Forces of Change

Organizations today face dynamic and changing environment; several factors are responsible for this conditions. Such factors according to Robbins (1999) are:

1. **External causes:** These include Government policies, changes in the economy, competition, cost of raw materials, pressure groups, technology push, scarcity of labor, social pressures, legal requirements, etc.
2. **Internal Causes:** Change in leadership, implementation of new technology, employee profile, union actions, low morale, etc.

Similarly, Nnebe (1991); Aribisala (2005) and Odulaja (2005) respectively argued that changes in the organization fall into the following categories.

1. **Technological Changes:** This type of change encompasses new products, new techniques of production, upgrading of facilities and quality of labor force, introduction of new skills and improvement in the quality of management. Essentially, these new conditions may be cost saving devices that can render some workers redundant thus forcing management to trim down the number of workers needed to accomplish a given task. in the light of this, Eitzen and Maxine (2000) argued that today's technology would permit organizations to replace many workers with machines that increase productivity and profit, hence typically minimize labor cost whenever possible by downsizing and keeping wages as low as possible.
2. **Structural Changes:** This consist of organizational structure; that is, system of communication, authority, workflow, etc. structural change may arise as a result of growth, new leaderships, in response to external influence; for example, during the twenty five billion naira bank recapitalization in Nigeria, some banks that merged or were acquired by other banks had some of their workers demoted, retrenched, sacked, rationalized, while some positions were scrapped entirely by new management (Adeyemi, 2004. Other types of changes are market changes and environmental changes.

   However, no matter the shape change takes, it has to be managed to allow the organization cope. Change Management is a set of processes employed to ensure that significant changes are implemented in a controlled and systematic manner. One of the goals of change management is the alignment of people and culture with strategic shifts in the organization, to overcome resistance to change in order to increase engagement and the achievement of the organizations' goals for effective transformation**.**

Resistance to Change

Resistance to change could be positive when it provides some degree of stability and predictability to behavior. It can also be a source of functional conflict when it stimulates a healthy debate over the merits or demerits of an idea leading to better decisions; sometimes it is also out rightly negative because it can cripple organizational activities. However, Robbins (1999) had argued that resistance to change doesn't necessarily surface in standardized ways; it can be overt, implicit, immediate, or deferred. He went further to dichotomize the sources of resistance into two broad categories.

1. **Individual Resistance:** Individual source of resistance to change reside in basic human characteristics such as perception, personalities and needs. The following summarizes the reasons why individuals resist change: habit, security, economic factors, fear of the unknown, selective information processing (Robbins, 1999). Similarly, Okafor (2005) had linked workers' resistance to change to reasons such as job insecurity, managerial exercise of power and control, training and environment, habit, personal attitude, psychological reasons, financial reasons, fear of the unknown, variance of goals, political factors, ways of introduction, etc.
   However workers' resistances to change are in diverse forms, Hence, variance of goals, political factors, ways of introduction, etc. However, workers' resistance to change is in diverse forms. Hence, Soleye (1989); Jolaoso (1991); Otobo (1954); Onyeonoru (2004) and Okafor and Bode-Okunade (2005) have respectively identified several forms workers may react when confronted with a threatening change. These include: active resistance, passive resistance, indifference, deliberate sabotage, and acceptance/cooperation.
2. **Organizational Resistance:** Organizations by their very nature are conservative. They actively resist change (Robbins, 1999). He buttressed that government agencies want to continue doing what they have been doing for years, whether the need for their service changes or remains the same. Organized religions are deeply entrenched in their doctrinal history, educational institutions, which exist to open minds and challenge established doctrines are themselves extremely resistant change.

According to (Robbins, 1999), six major sources of organizational resistance to change have been identified to include the following:

a. Structural inertia
b. Limited focus of change
c. Group inertia
d. Threat to expertise
e. Threat to established power relationship
f. Threat to established resources allocation

However, be it organizational or individual resistance to change, it is pertinent to check the phenomenon if an organization must survive. Several methods are available in literature on how to overcome resistance to change. Okafor and Bode-Okunade (2005); Robbins (1995); Johnnie and Nwasike (2002) have outlined education and communication, participation, negotiation, manipulation and cooptation, incentives, regular consultations, bargaining and dialogue, gradual introduction of changes, setting of clear objectives, participative decision making, among others as the strategies for managing worker's resistance to change.

3. Methodology

This study was carried out in Port Harcourt, the capital of Rivers State in Nigeria. Five banks were conveniently sampled from the entire population of banks in the city. Because the nature of the subject of our study, we strived to cover every categories of workers and employees of the banks using stratified sampling techniques. Samples were drawn from top, middle and low cadre, giving to twelve respondents from each bank. The reasons for this is to enable us obtain the views of super ordinates and those of subordinates on the subject matter. For each bank, twelve copies of questionnaire were administered, bringing the total copies of questionnaire issued to sixty. Very fortunately, fifty-six copies of the questionnaire were retrieved, showing a 93% retrieval rate.

4. Results

Soleye (1989); Jolaoso (1991); Ofobo (1994); Onyeonoru (2004) and Okafor and Bode – Okundade (2005) have identified several ways workers may react to change.

Table 1 represents the ways Nigerian bank workers react to change

Table 1: Reaction to Change in Nigerian Banks

Kinds of Reactions	**Frequency n = 56**	**%**
Deliberate sabotage	5	8.93
Active resistance	8	14.29
Indifference	14	25
Total acceptance	22	39.3
Gradual acceptance	31	55.4
Deferred resistance	3	5.4

Source: Research Data, 2013

Table 1 above shows that 55% of the respondents agreed that they prefer to accept change gradually in the organization. 39% said they give total acceptance to change in the organization, 25% said they are indifferent, 14% said they actively resist change, 9% said their reaction is that of deliberate sabotage, while 5% said their reaction is that of deferred resistance.

Several reasons have been put forward to why workers resist change; Otobo (1994); Spear (1988); Obisi (1996) and Nwachukwu (1988) have given many of such reasons. Table 2 presents the reasons why workers and employees of Nigerian banks resist change.

Table 2: Reasons for resisting change

Reasons	Frequency n = 56	%
Fear of losing relevance	12	21.4
Lack of skills to meet the new demands	20	35.7
Habit	7	12.7
Fear of failure	23	41.10
Battle for power	13	23.2
Mode of introduction	41	73
Unavailability of enabling apparatus	19	33.9

Source: Research Data, 2013

Table shows that 73% of the respondents said change is resisted because of the mode of introduction; 42% said it is due to fear of failure; 36% said it is due to lack of relevant skills; 19% said it is due to the absence of relevant apparatus for implementing change; 12% said it is for fear of loosing relevance, while 13% said it due to battle for power and supremacy.

Overcoming resistance to change is a very daunting task for business managers. Table 3 shows the strategies for managing resistance to change in Nigerian banks.

Table 3: Strategies for Managing resistance to Change in Nigerian Banks

Reasons	Frequency n = 56	%
Participative decision	33	58.9
Incentivizing/negotiation	12	21.43
Education/communication	9	16.07
Coercion	4	7.14
Counseling and appealing	5	8.93
Gradual and systematic introduction	22	39.29

Source: Research Data, 2013

From Table 3, 58.9% of the respondents said participative decision-making is the best strategy for overcoming resistance to change; 39% said it is introducing change gradually and systematically; 21% said it is by incentivizing and negotiating with the workers; 16% said it is through education and communication; 9% said it is through counseling and appealing to the workers, while 7% said it is through coercion.

5. Summaries and Discussion of Findings

Organizational change is often stimulated by a major external force, for example, substantial cuts in funding, decreased market opportunity and dramatic increases in services. Typically, organizations undertake technical, structural or strategic shifts in the organization to evolve to a different level in their life cycle, for example changing from a highly reactive organization to a more stable proactive environment.

We observe in this study that greatest number of Nigerian bankers prefer to accept change gradually, while a good number of others accept it when it comes suddenly, this finding corroborates Okafor and Bode-Okunade's (2005), that it is wrong to assume that workers all the time oppose change introduced in either the organization or in the wider society, that sometimes, workers cooperate with management. Only a few usually differs resistance by bottling grievances that will eventually explode someday.

The mode of introducing change was highly fingered as a key reason why workers resist change; this is to say that introducing change suddenly will cause the effort to hit rock; while lack of relevant skills that will enable workers implement the new methods is also a big cause of resistance to change. It was also found that fear of failure deter a good number of Nigerian workers from embracing change.

Participative decision-making was found as the most efficacious strategy for overcoming resistance to change; this finding also supports that of Robbins (1999); that it is difficult for individuals to resist change decision in which they participated. It was also found that gradual and systematic approach is a very good way for introducing changes so as to minimize the rate of surprise that accompanies sudden introduction.

6. Conclusion

Change is a constant variable in every social system like the business organization. It is sometimes consciously programmed but at many other times, it emerges like a storm in the tea cup, hence business organizations must structure itself in the manner that it is self regulating and adaptive; likewise the individuals in the organizations must be ready to make adjustments when necessary. This is the biggest panacea that can assist the business organizations to checkmate the aftermath of change. When change is introduced internally, it before the management to apply the recommended approaches in handling it, but when it is totally induced from the outside, most recommendations proffered may not be efficacious, rather the adaptive flexibility of the organization would determine how whether the situation can be handled or not.

7 Recommendations

1. Nigerian organizations should encourage participative decision-making and management by objective (MBO), so that employees can feel at home while at work.
2. Change should not be introduced as a matter of *"you must obey",* rather, it should be subtly introduced with all those to be affected given adequate training and advance briefing.
3. Coercion should not be a tool in pushing employees into accepting change because it is capable of making people to defer resistance; where people will pretend to have accepted the change while they wait for an opportunity to act the opposite.
4. Those to implement change must be given the necessary tools to work with before the change is officially launched.

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