# HUMAN RESOURCE FACILITATORS AND CHANGE PROJECT EFFECTIVENESS

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***ABSTRACT:*** *This is a conceptual paper suggesting the key human resource factors that could facilitate change project effectiveness. It proposes relationships between these human resource facilitators and effectiveness of an organizational change project. Five propositions are stated for positive directions of these relationships. Based on these propositions, a conceptual framework is suggested. Training and development, change agent capabilities, communication, participation and employee responsiveness to change are proposed to play important roles in change project effectiveness. This framework is expected to apply for change management in private enterprises in Vietnam.*

**Keywords:** *Change project effectiveness; Human resource facilitators.*

## 1. INTRODUCTION

Change management is a field of study that has been developed to a wide range of theories from different points of view. Human side of the change process is the most recent interest of study. Change leaders must understand how different people feel about a change and then support and respect these feelings. The contribution of this paper to previous works is a holistic view on the employee responsiveness process to the change. This view does not separate resistance to change from readiness for change. A person can incur both resistance and readiness simultaneously. He or she may understand the benefits of change but still does not want to change because of inertia. This is a kind of intrapersonal conflict. An individual may deny change in the beginning but may gradually turn to be willing to change after realizing his/her benefits from the change. The paper proposes a process-based concept of employee responsiveness to change instead of solely resistance or readiness.

In the Best Practices in Change Management (Prosci, 2005), the top five contributors to success of a change project are sponsorship, change management process and tools, communication, involvement, and project leadership. All of them are human resource factors which are considered in a project frame. Lack of change management expertise appears in the top change management obstacles as a warning for disregard of training and development. The lessons for next changes include training together with project's leadership, sponsorship, communication and involvement. Planned changes are mostly conducted in projects via the unique objectives and deadline of each change. The completion of the change project in terms of time-schedule and budget is always the most concern of change managers. This paper is aimed to predict which human resource factors can facilitate the change project completion on time and within its budget.

## 2. BACKGROUND

### 2.1. Human resource perspective on change process

Nauheimer (2004) discussed that there was no specific model that could be applied precisely in variety of organizations. Different organizations have various people, styles, and cultures. They may experience different levels of resistance to change as well as readiness for change. As a result, the change project may be neither accomplished at its planned deadline

nor within their budget. Understanding people inside the organization will help to understand the "why" in change.

The success or failure of organizational change depends on the unique contributions of people involved (Doorewaard and Benschop, 2003). It is the fact that every decision during the change process is related to people. Human resource (HR) is not only an input of a change process but also affects other inputs (e.g. objectives, budget, and facilities). They decide the implementation of the change project. The organizational members can be either beneficiaries or sufferers of the change outcomes no matter who have conducted that change or not.

Lewin's 3-Step Model emphasized on "unfreezing" phase when most resistances to change emerge, then "moving" phase when change could be implemented, and finally "freezing" phase when the newness became as usual. His model provided the common sense about change process that is still relevant to the modern world, especially for small and medium enterprises (Burnes, 2004). Kotter (1995) suggested "Eight Steps to Transforming the Organization" that was rational and problem-based approach as deriving from the reasons of "why transformation efforts fail" in his research. The HR factors in this Model were leadership, communication, and participation. The recent ADKAR Model (Hiatt and Creasey, 2003) has practically focused on human side of the change for building organizational change-competency. It was prior to long-term success by focusing on employees' competencies to deal with change and to make change become usual. In comparison to previous process-oriented models in change management, this paper does not consider specific steps in a change process but the HR factors as processes prolonged in a whole change project.

Ford and Greer (2005) included such HR factors as skills and ability, and incentives. There was process-based concept of training and development for change (Harrison, 2004; Jacobs, 2002). The process of communication for change was emphasized (Greller, 2003; Barrett, 2002; Armenakis and Harris, 2002). The employee participation in the change was also mentioned as continuity (Milliman, 2003; Weber and Weber, 2001). Change competence and project leadership were added as success factors of the change by Prosci (2005). This paper suggests a framework about the impacts of these HR factors on the change project effectiveness.

## 3. PROPOSITIONS

### 3.1. Training and development for change

Training and development is a set of systematic and planned activities designed by an organization to provide its members with the necessary competences that meet current and future job demands (Jacobs, 2002; Harrison, 2004). In this paper, training and development are considered as a strategic process along with the whole change process rather than simply a set of activities at certain time. It equips employees with proactive capabilities that are needed for implementing and institutionalizing change. It provides them with knowledge, skills, promotion, motivation and confidence (Weber and Weber, 2001). Preparing the participants for the change is not only about knowledge and ability but also about future-oriented capabilities and attitudes that will fit the new status of the organization after change. Then they will be able to accomplish the change project on time and within budget. The first proposition has been stated with respect to the role of training and development in the effectiveness of the change project.

*P1: Training and development designed for change will improve the effectiveness of the change project.*

### 3.2. Change agent capabilities

In any change project, change agent capabilities are required for key participants. Change agents are the key persons who implement change and co-ordinate others involved in the change process. They need to be able to inspire other stakeholders of the change as leaders, and competent to deal well with resistance to change. They first change themselves. Then they can develop the skills and credibility to convince others to change (Huy, 2001). When being delegated to a change project, their daily responsibilities must be somewhat limited, giving them the freedom and flexibility to spend the time necessary to learn and change the current process. Change agents are those who most bear the stress due to their double-responsibility in the organization. They need to be equipped with change competence and leadership at the first hand. The more the top managers expect to complete the change on time and within budget, the more investment they should do for their change agents. Previously, change agent was considered facilitator for change management (Garg and Singh, 2006; Buchel and Moss, 2007). In this paper, change agents are merely key participants of the change. Their capabilities to make change happens and lead that change are actually the facilitators. Their facilitation to the change process is proposed as follow:

*P2: The change agent capabilities can increase the effectiveness of the change project.*

### 3.3. Communication for change

Communication process assures proper, prompt and sufficient messages about the change plan and progress, with variety of methods and frequency, to be comprehensive to all stakeholders of the change. It is to identify, express, and exchange needs and feelings, then, to form and use relationships for need satisfaction (Lundberg, 2002). It instructs the right behaviors during the change process as well as the new behaviors that should be stabilized after the change. Information in this process helps to institutionalize change by a conscious attempt to show people how the new approaches, behaviors, and attitudes have helped to improve their performance. Communication also touches people by recognition of their short-term achievements on the progress (Kotter, 1995). Linking the new status from change with the participants' personal career plans can create intrinsic motivation. Thus, it has a positive impact and established foundation on which to build the change program and the continued success of the changes across the company (Barrett, 2002). The paper proposes that communication for change significantly contributes to change effectiveness. The proposition is stated as:

*P3: Communication for change supports the effectiveness of the change project.*

### 3.4. Participation

Participation process reflects how much interest and trust are there in the change. Change initiatives must be done in an atmosphere of trust and support that eliminates unnecessary risk or pressure. Employee involvement or participation can enhance readiness for change through high awareness, responsibility, commitment and active cooperation of both superiors and subordinates to change (Eby *et al.*, 2000; Pasmore and Fagans, 1992). Many failures or disappointments in organization development may be traced to less participation. The linkage between participation process and the effectiveness of the change project is proposed as:

*P4: Higher employee participation in change will positively influence to the effectiveness of the change project.*

### 3.5. Employee responsiveness to change

Researchers started to study employees' attitudes to change from the question of "how to unfreeze" them for change (Burnes, 2004; Schein, 2002). Employees' attitudes towards the change have been studied for effective plans to prepare and monitor them for change implementation (Lines, 2005). Reported responses were mostly about resistance to change (Kotter, 1995; Kegan and Lahey, 2001; Ford *et al.*, 2002; Chreim, 2006). Readiness for change has been studied by few researchers (Armenakis *et al.*, 2002; Eby *et al.*, 2000).

Resistance always appears when people are asked to "unfreeze" from their currently stable status. Employee resistance to change increases in organization as the authority and sponsorship for change decrease (Hiatt and Creasey, 2003). Resistance can come from individuals, groups, and organization (Banutu-Gomez, 2006). Limitation of studies on resistance is the emphasis on measuring sources of resistance rather than on the level of resistance (Pardo del Val and Fuentes, 2003). Both sources and level of resistance need to be studied. Positively, Waddell and Sohal (1998) looked at resistance in a more constructive way for change management. Resistance to change can be a counter balance to poorly planned or implemented organizational change and possibly a pointer to better ways of achieving change (Smith, 2005). Readiness for change is defined as individual's positive motivations to change (Armenakis *et al.*, 2002). The work group's willingness to make improvements reflects employee readiness. Szamosi and Duxbury (2002) gave broader view on employee readiness as both individual and organizational support for change. Those who are ready for change need time to recognize the needs for change or their benefits in the new organizational status. The argument of this paper is that readiness is not always positive to a planned change. Readiness may be inappropriate to what the managers planned for organizational change. People may make a necessary change, but they might not stick with it for long (Folaron, 2005). Mis-using of readiness for change may lead to a wrong change.

Considering employees' resistance and readiness for change separately may lead to extreme view on their responses during the process. People with different stakes and position of influence in the process of change can be expected to act differently. Focusing merely in resistance to change is unilateral. Szamosi and Duxbury (2002) defined readiness and resistance as the two parallel effects of people in the change process. Folaron (2005) studied general readiness, emotional readiness, capability vs. desire to change in order to assess the potential reasons for resistance or lack of support to change. It was implied readiness and resistance are inter-related. Jansen (2000) suggested the concept of momentum to change which was defined as an individual's perception of the positive or negative force of motion associated with pursuing some end state or goal. This paper considers the concept of momentum to change as a basis to develop the variable of employee responsiveness to change with more emphasis on personal attitudes.

During the implementation process, employees have to deal with change or newness in their values, habits, assumptions, and motivation. They respond to change based on their assumptions and motivation (Kegan and Lahey, 2001). This paper defined employee responsiveness as individuals' capability to adapt to changing conditions during the change process (Wood, 1991). It can be measured in four dimensions: cognitive, emotional, intentional, and behavioral (Fedor, 2006; Vakola and Nikolaou, 2005). It affects the possibility of the change completion. The relationship between the employee responsiveness to change and the change project effectiveness is accordingly proposed as follows:

*P5: Positive employee responsiveness to change will significantly lead to high possibility of achieving the change's objectives on time and within budget.*

Employee responsiveness is considered as an HR factor in change process. It does not discriminate between resistance and readiness. Both can be momentum to change. It is not about how ready or resistant to change but on how individuals express their attitudes towards the change.

## 4. CONCEPTUAL FRAMEWORK

### 4.1. Analytical factors

Based on the five propositions above, a conceptual framework was suggested. Three main groups of constructs of a change process are mentioned in this paper: (1) The HR factors reflected the HRM processes for change; (2) The HR factor that reflects employee reactions during the change; and (3) the change project effectiveness (Figure 1).
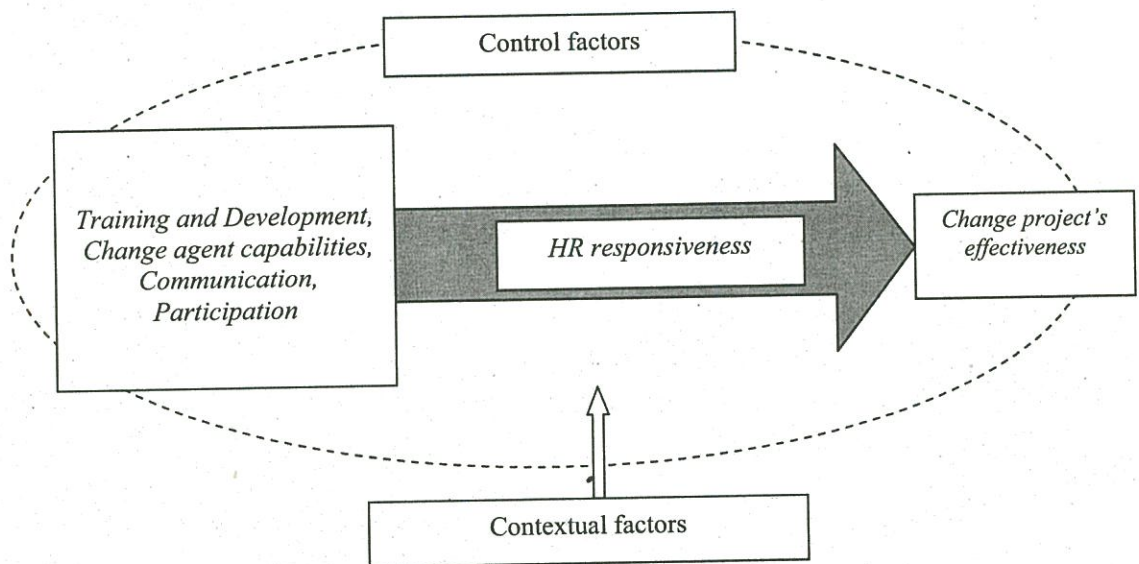


**Figure 1:** Conceptual framework of the study

Training and development, Change agent capabilities, Communication, and Participation are suggested to be facilitators in the change process. They are found from previous researches. Employee reactions to change are newly conceptualized as Employee responsiveness. When a change project achieves its specific objectives by the deadline approved in the project proposal, it is considered effective. Normally in Vietnam where budget is a very important constraint, when a change project accomplishes its objectives on time, a deficit in its budget illustrates lack of efficiency. Change project effectiveness is based on its in-time and within-budget accomplishment (Probst, 2003; Martinsuo et al., 2006).

### 4.2. Contextual factors

Environmental factors must be recognized in change project management (Hiatt and Creasey, 2003). The study also considers contextual factors of organizational change including technical, cultural, and political influences (Ford and Greer, 2005). The organizational value systems that support change are suggested to be recognized in terms of both mental and emotional factors.

## 4.3. Control factors

This conceptual framework is expected to apply for change managemant in private enterprises in Vietnam. The control factors relate to demographic characteristics of the respondents and their firms. Changes in Vietnamese business environment in recent years have obviously affected the enterprises in Vietnam. In the year 2006, industry has its growth trend with a record rate of 17 percent. Of that average, non-state owned sector expanded 23.9 percent and foreign-invested sector was of 18.8 percent. Export revenues rised 22 percent year-on-year (www.vneconomy.com.vn, 2007). The recent Unified Enterprise Law has created about 1.6 to 2.0 million jobs. This brought the total employment in the private enterprises to 6 million or about 16 per cent of the total labor force (Ministry of Planning and Investment, 2005). To meet the challenge of greater competition in the face of the country's WTO commitments, competitiveness will have to be honed. The private sector provided 46 percent of all investment in 2001-2005. Over 2006-2010, total investment is expected to reach an average of 38.5 percent of GDP, with a little over half of it originating in the domestic and foreign private sector (Asian Development Outlook, 2006). This sector will find it more challenging but also comfortable and clearer to conduct their developing projects.

According to the rapid growth and diversification of the private sector, control factors include: Business background of the firm, Age of the firm, Type of ownership, Export orientation, Position of the respondent, Experience of change, Age of the respondent, Gender.

## 5. LIMITATION OF THIS PAPER

The paper focused on conceptual framework. The HR facilitators in change project were suggested based on previous researches and the current arguments. The new concept of employee responsiveness to change has not been examined in the real place. An exploratory research needs to be designed for testing this framework.

## 6. CONCLUSION

This paper suggested a conceptual framework for change project management. Training and development, change agent capabilities, communication, participation and employee responsiveness to change were proposed to play important roles in change project effectiveness. Top managers mostly manage change by projects. Most of the project objectives are measurable. There is a question of whether the change in the human resources completes at the same time as the change project does. The role of HR facilitators in the change needs to be examined for assessing the people side of the change project. Based on five Propositions, the paper suggested a conceptual framework in change management from human resource perspective.

# CÁC NHÂN TỐ HỖ TRỢ VỀ NHÂN SỰ VÀ HIỆU QUẢ CỦA DỰ ÁN ĐỔI MỚI

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*TÓM TẮT: Bài báo đề xuất những nhân tố hỗ trợ về nhân sự nhằm nâng cao hiệu quả của các dự án đổi mới. Bài báo giả định sơ khởi về các mối quan hệ giữa những nhân tố hỗ trợ này với hiệu quả của đổi mới. Các phát biểu giả định sơ khởi nhằm để xây dựng khung nghiên cứu cho một mô hình về quản lý đổi mới. Khung nghiên cứu tập trung vào các nhân tố như đào tạo và phát triển nhân sự cho dự án đổi mới, các năng lực của chủ thể đổi mới, các quá trình truyền thông, tham gia, và sự đáp ứng của nhân viên trong quá trình đổi mới*

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