

The Relationship Between Psychosocial Predictors and Employee Readiness to Change

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ABSTRACT

Seventy percent of organizations experience failure in implementing organizational change (Miller & Peter, 2006). One of the reasons for this failure is the lack of careful assessment of an organization's readiness to change, which depends much on the employees' readiness to change. This study investigates predictors of employees' readiness to change, namely, appropriateness of change, management support, change efficacy, individual spirituality, and openness to experience. The present study also examined the role of job satisfaction and organizational commitment in mediating between psychosocial predictors and employee readiness to change. A random sampling ($n = 428$) of a Higher Learning Institution in Malaysia consisting 214 academic staff and 214 non-academic staff participated in this study. Two-step Structural Equation Modelling was used to answer the research questions. Results of the measurement model indicated that all measurements used are valid. The structural model in the present study indicated that psychosocial factors including appropriateness, management support, change efficacy, individual spirituality, and openness to experience significantly predict employee readiness to change. Result shows that appropriateness of change, management support, change efficacy, and openness to experience are indirectly related with employee readiness to change via a mediating role of organizational commitment. This result indicated that employees who perceived the change to be appropriate show openness toward change and that perceived management support will not enhance their readiness to change unless they are committed to the organization. In addition, individual spirituality and

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change efficacy are directly related with employee readiness to change. This result shows that employees who have high spirituality and change efficacy will have higher readiness whether or not they are committed to the organization. Further analysis on the mediating role of job satisfaction cannot be performed due to an insignificant relationship between job satisfaction with employee readiness to change. Findings in this study can be used as a framework to enhance employee readiness to change.

Keywords: Psychosocial Predictors, Readiness to change, Structural Equation Modeling

JEL Classification: M0, M54

INTRODUCTION

Organizational change is an important phenomenon experienced in most work settings, such as health care, military, manufacturing, banking, and higher learning institutions (Raferty & Simon, 2006; Holt, 2002; Cornelious, 2007; Wittension, 2008; Yousef, 2000). Many organizations nowadays are pursuing organizational change in order to survive in rapidly changing environments (Cummings & Worley, 2005; Eby et.al, 2000; Oreg, 2006; Haque, 2008).

Realizing the need for organizational change, a number of studies in this area have been undertaken, particularly from the perspectives of resistance to change (Oreg, 2006), acceptance and openness to change (Devos & Buelens, 2003), and readiness to change (Wittention, 2008). Among these perspectives, readiness to change has received greater attention in recent days as 70% of organizations experience failure in implementing organizational change (Miller & Peter, 2006). Barrera (2008) argued that the failure is due to lack of careful assessment of an organization's readiness to change, which depends much on the employees' readiness to change (Madsen, 2003; Cunningham *et al.*, 2002).

Employee readiness to change includes employee positive feelings toward change initiative (affective readiness), employee positive thinking toward change initiative (cognitive readiness), and employee positive attitude and behavior support for change initiative (behavior readiness; Dunham, 1989). Enhancing employee affective, cognitive, and behavior readiness to change will minimize of resistance to change (Oreg, 2006). This practice is considered the most effective intervention for successful organizational change (Cunningham *et al*, 2002; Haque, 2008).

Several efforts have been made to assess employees' readiness to change. Researchers have examined the relationship between predictors of employees' readiness to change based on several theories on employees' readiness to change. One prominent theory in understanding the predictors of employees' readiness to change is by Armenakis *et al.* (1993). They suggest that the predictors of employees' readiness to change consist of four dimensions including the content of change, context of change, process of change, and individual characteristics of the change agent. Based on this model, some of researchers agree that appropriateness of change, management support, and individual change efficacy are significantly related with employees'

readiness (Armenakis & Harris, 2002; Holt *et al.*, 1999; Szamosi & Duxbury, 2002; Elf & Mike, 2007; Clark, 2003). Although a number of studies have identified the relationship between the psychosocial predictors with readiness to change, the findings do not show consistency on the variables that predict employee readiness to change. These facts trigger a question on what psychosocial variables that really are related with readiness to change.

Another interesting finding is the relationship between readiness to change with work related attitudes, particularly organizational commitment and job satisfaction. Studies revealed that organizational commitment (Iverson, 1996; Yousef, 2000) and job satisfaction (Barrera, 2008; Squillaci, 2007) are also predictive of employees' readiness to change. Nevertheless, neither variable falls within the four domains of predictors of readiness to change suggested by Holt (2007). All of the predictors within the four domains are positively associated with organizational commitment and job satisfaction (Holt, 2002; Clark, 2003). These circumstances trigger additional question on whether there is a possibility that organizational commitment and job satisfaction could strengthen the relationship between the psychosocial predictors and readiness to change. An assessment of the literature on readiness to change indicated that only a few studies have analyzed the mediating effect of organizational commitment and job satisfaction within this context (Yousef, 2000). Nevertheless, the study only examined the mediating effect of selected variables. Therefore, further empirical evidence is needed to confirm that these variables may also serve as mediating variables on the relationship between the psychosocial predictors of readiness to change with employees' readiness to change.

Based on the problems mention above, the objectives of the present study are:

1. To examine the relationship between appropriateness of change, management support, individual change efficacy, individual spirituality, and openness to experience with employees' readiness to change;
2. To investigate the role of job satisfaction in mediating the relationship between appropriateness of change, management support, individual change efficacy, individual spirituality, and openness to experience with employees' readiness to change; and
3. To investigate the role of organizational commitment in mediating the relationship between appropriateness of change, management support, individual change efficacy, individual spirituality, and openness to experience with employees' readiness to change.

This study is expected to have both theoretical and practical implications. From the theoretical standpoint, this study will add knowledge on the predictors of employees' readiness to change. The present study will add knowledge on the role of psychosocial predictors in enhancing employee readiness to change.

Likewise, from the practical standpoint, the present study not only aims to support the significance of existing predictors of readiness to change but also—by the purposeful selection of a Higher Learning Institution in Malaysia as a setting for the study—to provide some support for organizational change in this setting.

REVIEW OF LITERATURE

Relationship between Appropriateness of Change and Employees' Readiness to Change

Holt (2002) found that appropriateness is a significant predictor of employees' readiness to change. Clarks (2003) also found that appropriateness of change is related to employees' readiness to change. For Bouchenooghe *et al.* (2008), understanding the need for change (appropriateness of change) and knowing the reason for change can enhance employee' readiness to change.

Relationship between Management Support and Employees' Readiness to Change

Many studies have been done to examine the role of management support in creating readiness to change. Tan *et al.*, (2005) conducted a study on the 22 largest federation companies in America. He found that management support is an important predictor for employees' readiness to change. According to Tan *et al.*, employees must perceive their management to be supportive for the change initiatives to take place. This support can be in the form of clear policies and practices regarding the change, which allows employees to be more supportive of the change initiative (Armenakis *et al.*,1993; Ebi *et al.*, 2000).

Relationship between Change Efficacy, Openness to Experience, Personality, and Individual Spirituality

Change efficacy is based on Bandura's (1977) social learning theory. According to this theory, individuals with high self-efficacy at work are more likely to have higher expectations of success on the job (Vakola, 2013), greater persistence on the job (Worrall *et al.*, 2004), a higher work quantity and quality (Judge and Bono, 2001), and a belief in having control over the environment and personal successes (Devos & Buelens, 2003; Bandura, 1977).

Other than efficacy, previous studies also found personal factors that can contribute to employees' readiness to change. McDaniel (1992) studied five personality factors and their relationship with organizational change. The findings of this study indicate that having high personality profiles in openness and conscientiousness positively relate to perceived success of organizational change. Results of the study emphasize the importance of openness to experience in enhancing employees' willingness to accept a change initiative.

Previous studies indicate that individual spirituality can enhance employees' readiness to change and help people to accept changes positively (Olievera, 2011). Further, Thomas and Solucis (2011) found that individual spirituality determines an individual's readiness toward change. This study indicates that the internal forces including values, culture, and organizational member personality influence the successfulness of organizational change. Further, Wesley and Crossroad (2006) found that individual spirituality plays an important role in creating successful organizational change.

Based on this reviewed literature, seven main hypotheses can be developed for the purpose of this study:

- H1a: There is a direct and significant relationship between appropriateness of change with employees' readiness to change.
- H1b: There is a direct and significant relationship between individual change efficacy with employees' readiness to change.
- H1c: There is a direct and significant relationship between management support with employees' readiness to change.
- H1d: There is a direct and significant relationship between openness to experience personality with employees' readiness to change.
- H1e: There is a direct and significant relationship between individual spirituality with employees' readiness to change.
- H2: There is a direct and significant positive relationship between job satisfaction with employees' readiness to change.
- H3: There is a direct and significant positive relationship between organizational commitments with employees' readiness to change.
- H4a: There is a direct and significant relationship between appropriateness of change with job satisfaction.
- H4b: There is a direct and significant relationship between individual change efficacy with job satisfaction.
- H4c: There is a direct and significant relationship between management support with job satisfaction.
- H4d: There is a direct and significant relationship between openness to experience personality with job satisfaction.
- H4e: There is a direct and significant relationship between individual spirituality with job satisfaction.
- H5: There is a direct and significant relationship between psychosocial predictors of employees' readiness to change with organizational commitment.
- H5a: There is a direct and significant relationship between appropriateness of change with organizational commitment.
- H5b: There is a direct and significant relationship between individual change efficacy with organizational commitment.

- H5c: There is a direct and significant relationship between management support with organizational commitment.
- H5d: There is a direct and significant relationship between openness to experience personality with organizational commitment.
- H5e: There is a direct and significant relationship between individual spirituality with organizational commitment.
- H6: Job satisfaction significantly mediates the relationship between psychosocial predictors of employees' readiness to change with employees' readiness to change.
- H6a: Job satisfaction significantly mediates the relationship between appropriateness of change with employees' readiness to change.
- H6b: Job satisfaction significantly mediates the relationship between individual change efficacy with employees' readiness to change.
- H6c: Job satisfaction significantly mediates the relationship between management support with employees' readiness to change.
- H6d: Job satisfaction significantly mediates the relationship between openness to experience with employees' readiness to change.
- H6e: Job satisfaction significantly mediates the relationship between individual spirituality with employees' readiness to change.
- H7: Organizational commitment significantly mediates the relationship between psychosocial predictors of employees' readiness to change with employees' readiness to change.
- H7a: Organizational commitment significantly mediates the relationship between appropriateness of change with employees' readiness to change.
- H7b: Organizational commitment significantly mediates the relationship between individual change efficacy with employees' readiness to change.
- H7c: Organizational commitment significantly mediates the relationship between management support with employees' readiness to change.
- H7d: Organizational commitment significantly mediates the relationship between openness to experience with employees' readiness to change.
- H7e: Organizational commitment significantly mediates the relationship between individual spirituality with employees' readiness to change.

METHOD

The population in this study consists of employees of International Islamic University of Malaysia (IIUM) at the Gombak Campus. The total number of IIUM employees is 2,573 (Management Service Division [MSD] record, 2013). Out of 2,573 employees, 1,264 are academic staff and 1,309 are non-academic staff. The sample for the present study consists of 428 employees of IIUM, consisting of 214 academic staff and 214 non-academic staff. Participants were selected using simple random sampling in which 1,000 questionnaires were distributed randomly across different faculty and divisions in IIUM for one week. Of the 500 hundred questionnaires returned, 428 could be used for further analysis.

Six sets of instruments were administered to the respondents, namely: Minnesota Satisfaction Questionnaire (MSQ), designed by Weiss *et al.* (1967); Organizational Commitment Questionnaires (OCQ), developed by Allen and Meyer (1990); Affective, Cognitive and Behavior readiness to change questionnaire, developed by Durham *et al.*, 1989; Openness to Experience of NEO-PI-R adopted from McCrae and Costa (1991); Spirituality Well-being Questionnaire adopted from Ellison (1993); and predictors of employee readiness by Szamosy and Duxbury (2000) as well as Holt (2002).

Confirmatory Factor Analysis (CFA)

This section explains the findings of Confirmatory Factor Analysis (CFA) of all measures used in the present study. The first part of this section discusses the procedure in CFA, followed by the explanation on the assumption of multivariate analysis, and ends with the CFA result for all measures used in the present study.

The confirmatory Factor Analysis (CFA) of Structural Equation Modelling (SEM) was used to examine the number of factors and the loadings of indicator variables on them. The CFA model focused on the link between latent variables and their manifested variables. In other words, CFA focused on the measurement model of SEM (Hair *et al.*, 2014). The following sections present detailed description of the CFA procedure.

Model Evaluation

For the purpose of model evaluation, Amos 19 was used to estimate the measurement model of all scales in this study. Maximum Likelihood (ML) method was utilized to generate the parameter estimate or loading and estimate multiple correlations (R square) of the items on their respective factors.

A number of indices were applied to assess the overall fit of the model. These indices included chi square value, significant value, root mean square error of approximation (RMSEA) with recommended value of 0.08 or less, goodness-of-fit index (GFI), comparative fit index (CFI), and AGFI with values of 0.90 or larger. However, chi square statistic just presented in the SEM diagram was not used for goodness-of-fit criteria in the present study because it was too sensitive to sample size difference. In addition, significance (p) value was not considered in the present study, because the significance of the test became less reliable with sample size outside the range of 100–200 (Hair *et al.*, 2011). The sample size for the present study was 428.

Several models required modification to improve the fit indices. The modification can be done by correlating the measurement error between variables. Once the models were estimated according to the goodness-of-fit indices, in which there were no more negative error variances and standardized regression weights > 1.0, then the researcher could proceed to the interpretation stage. These evaluation procedures were also applied to the estimation of the hypothesized structural model.

Modelling Procedure

Six confirmatory factor analyses were done to examine model fit for psychosocial predictor of employees’ readiness to change, openness to experience scale, personality scale, and readiness to change scale. Two phases of analysis were conducted to estimate the measurement model of employees’ readiness to change scale. The first phase examined employees’ readiness to change as a single construct and the second phase examined the measurement model of employees’ readiness to change as three constructs, namely affective readiness, cognitive readiness, and behaviour readiness.

RESULTS

Result of the CFA

The first CFA presented is for the psychosocial predictor of employees’ readiness to change (PRTC; see Figure 1). There were three factors of psychosocial predictor of employee readiness, namely individual change efficacy (EFF), management support (MGS) and appropriateness of change (APC). Factor loadings for variable indicator for individual change efficacy ranged from 0.63–0.79. Value for the Multiple Squared Correlation (R square) that explained the variance of each indicator for individual change efficacy variable ranged from 0.39–0.63, in which the strongest indicator was represented by individual past experience to deal with current change. All indicators were significant for their respective observed variables with Critical Ratio (CR) value ranging from 9.547–13.967 (> 1.96). Example of items are “I believe that I can implement change with ease.”

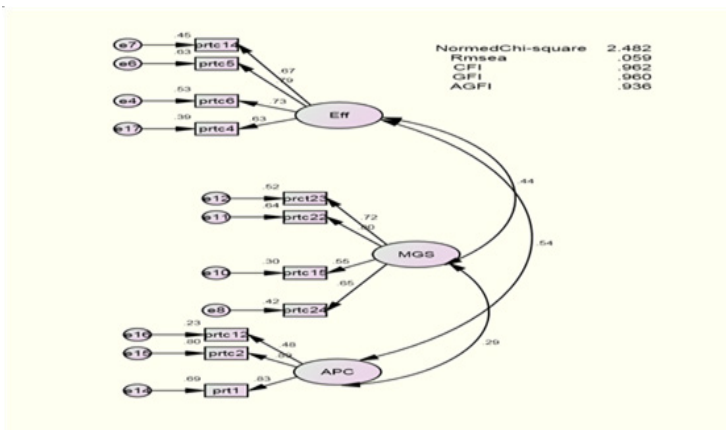


Figure 1: CFA for Psychosocial Predictor of Employees’ Readiness to Change

The second measurement model presented in this section is goodness-of-fit for openness to experience measure. Factor loadings for variable indicator for openness to experience ranged from 0.658–0.854. Value for Multiple Squared Correlation (R square) that explained the variance of each indicator for individual change efficacy variable ranged from 0.43–0.73, in which the strongest indicator was represented by variable likeness to reflect and play with ideas. All indicators were significant indicators for the respective observed variable with Critical Ratio (CR) value ranging from 11.650–13.664 (> 1.96). An example of the questions is, “I like to try new things.”

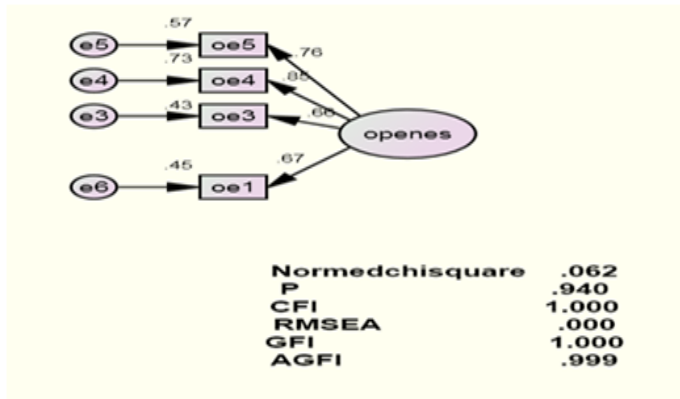


Figure 2: Measurement Model for Openness to Experience

The third measurement model presented in this section is goodness-of-fit for individual spirituality measure. Factor loadings for variable indicator for individual spirituality ranged from 0.49–0.73. Value for the Multiple Squared Correlation (R square) that explained the variance of each indicator for individual spirituality ranged from 0.24–0.53, in which the strongest indicator were represented by variable likeness to reflect and play with ideas. All indicators were significant indicators for their respective observed variables with Critical Ratio (CR) value ranging from 8.540–11.799 (> 1.96). An example of the questions is, “I have good relationship with Allah.”

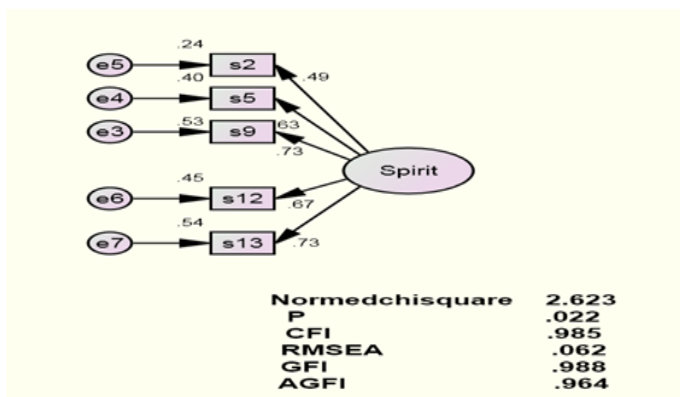


Figure 3: Measurement Model for Individual Spirituality Scale

The fourth measurement model discussed in this section is goodness-of-fit for job satisfaction measure. Factor loadings for variable indicator of job satisfaction ranged from 0.619–0.849. The value for the Multiple Squared Correlation (R square) that explained the variance of each indicator for job satisfaction ranged from 0.38–0.60, in which the strongest indicator was represented by chance that each individual had to try their own methods of doing the job. All indicators were significant for their respective observed variables with Critical Ratio (CR) values ranging from 12.594–16.270 (> 1.96). An example of the question is, “I am satisfied with my salary.”

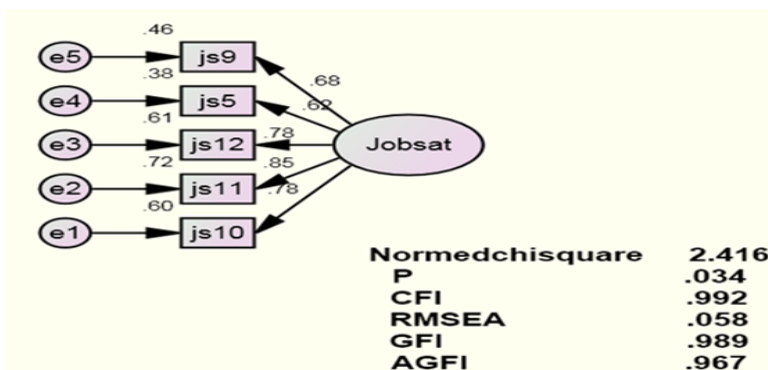


Figure 4: CFA for job satisfaction

The next measurement model is goodness-of-fit of employees’ readiness to change measure. Two phases of CFA were done; firstly, was CFA for employees’ readiness to change. Secondly, the CFA for employees’ readiness to change with three factors, namely: affective readiness, cognitive readiness, and behaviour readiness. The CFA result for employees’ readiness to change as one factor indicating factor loadings ranged from 0.516–0.820. The value for the Multiple Squared Correlation (R square) that explained the variance of each indicator for employees’ readiness to change as a single construct ranged from 0.27–0.67, in which the strongest indicator was represented by employees’ belief that organizational change can help them to perform better. All indicators were significant for their respective observed variables with Critical Ratio (CR) value ranging from 10.086–16.049 (> 1.96).

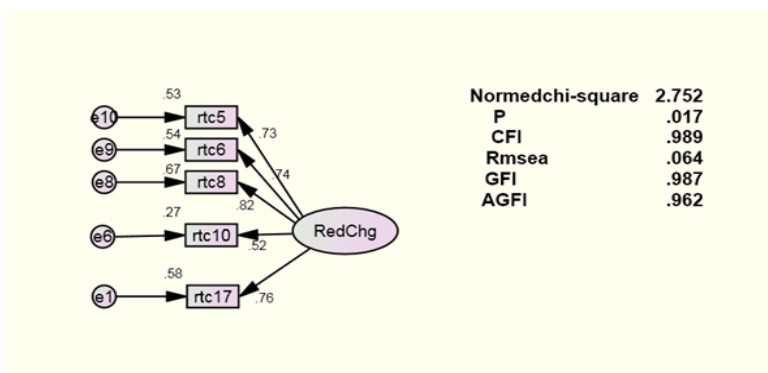


Figure 5: CFA for single construct of employees’ readiness to change.

The second phase of CFA for employees’ readiness to change scale is readiness to change as multi–construct, namely, affective, cognitive, and behaviour. Results show that the multi–construct goodness-of-fit model was no better than the single construct goodness-of-fit. The AGFI value was less than 0.9 and the RMSEA value was greater than 0.8. Figure 6 show CFA for multi- construct employees’ readiness to change.

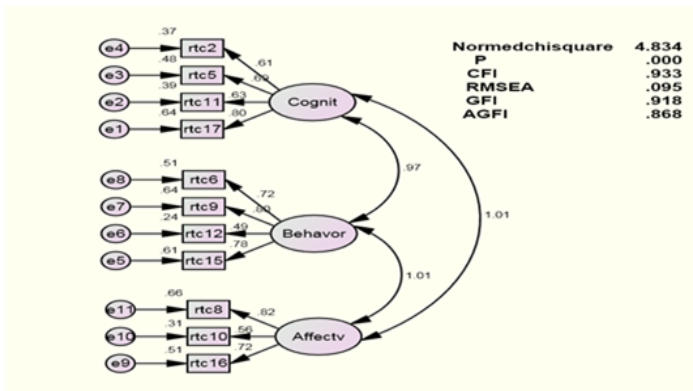


Figure 6: CFA for Multi–construct employees’ readiness to change

In summary, the result of the measurement models for all measures used in the present study indicated good model fit and that all latent variables can measure the observed variables through the indicators. A summary of the goodness-of-fit for all measures presented in Table 1

Table 1: Measurement Model: Goodness–of–Fit Measures

Measures	CFI	GFI	AGFI	RMSEA
Psychosocial predictor of employees’ readiness to change	0.962	0.960	0.936	0.59
Openness to experience	1.000	1.000	0.999	0.000
Individuals’ spirituality	0.985	0.988	0.964	0.062
Employees’ readiness to change as a single construct	0.989	0.987	0.962	0.064

Result of Assessments of the Proposed Model

Hypothesis 1a is supported; there was a significant relationship between appropriateness of change with employees’ readiness to change (C.R. = 2.81, p = .005). Hypothesis 1b is supported; there was a significant relationship between individual change efficacy with employees’ readiness to change (C.R. = 6.389, p = .001). Hypothesis 1c was supported; there was a significant relationship between management support with employees’ readiness to change (C.R. = 2.741, p = .006). Hypothesis 1d was supported; there was a significant relationship between openness to experience with employees’ readiness to change (C.R. = 3.259, p = .001). Hypothesis 1e was supported; there was a significant relationship between individual spirituality with employees’ readiness to change (C.R. = 2.359, p = .018).

Hypothesis 2 is not supported; there was no significant relationship between job satisfaction with employees' readiness to change (C.R. = 1.951, $p = .051$). However, Hypothesis 3 is supported; as there was a significant relationship between organizational commitment with employees' readiness to change (C.R. = 2.943, $p = .003$).

There were mixed findings for Hypothesis 4. Hypothesis 4a is not supported; there was no significant relationship between appropriateness of change with job satisfaction (C.R. = 1.497, $p = .135$). Hypothesis 4b is supported; there was a significant relationship between individual change efficacy with job satisfaction (C.R. = 3.567, $p = .001$). Hypothesis 4c is supported; there was a significant relationship between management support with job satisfaction (C.R. = 4.622, $p = .001$). Hypothesis 4d is supported; there was a significant relationship between openness to experience with job satisfaction (C.R. = 4.510, $p = .001$). Hypothesis 4e is not supported; there was no significant relationship between individual spirituality with job satisfaction (C.R. = 1.374, $p = .169$).

Hypothesis 5a is supported; there was a significant relationship between appropriateness of change with organizational commitment (C.R. = 3.416, $p = .001$). Hypothesis 5b is not supported; there was no significant relationship between individual change efficacy with organizational commitment (C.R. = -.196, $p = .845$). Hypothesis 5c is supported; there was a significant relationship between management support with organizational commitment (C.R. = 7.313, $p = .001$). Hypothesis 5d is supported; there was a significant relationship between openness to experience with organizational commitment (C.R. = 5.188, $p = .001$). Hypothesis 5e is not supported; there was no significant relationship between individual spirituality with organizational commitment (C.R. = .979, $p = .328$).

Hypothesis 6 cannot be further analyzed because there was no significant relationship between the mediator variable with the dependent variable; in this case, there was no significant direct relationship between job satisfaction with employees' readiness to change. Hypothesis 7 is supported partially. There was an indirect effect of appropriateness of change, management support, and openness to experience toward employees' readiness to change via organizational commitment.

Table 2: Regression Weight and Standardized Regression Weight for the Proposed Model.

			Regression Weights: (Group number 1 - Default model)			
			Estimate	S.E.	C.R.	P
jobS	←	EFF	.241	.067	3.567	***
comt	←	EFF	-.011	.054	-.196	.845
jobS	←	MGT	.357	.077	4.622	***
comt	←	MGT	.529	.072	7.313	***
comt	←	APR	.165	.048	3.416	***
jobS	←	APR	.086	.057	1.497	.135
jobS	←	Open	.320	.071	4.510	***
comt	←	Open	.309	.060	5.188	***
jobS	←	Spiri	.069	.050	1.374	.169
comt	←	Spiri	.040	.041	.979	.328

Table 2 (Cont.)

readi	←	EFF	.346	.054	6.389	***
readi	←	MGT	.189	.069	2.741	.006
readi	←	APR	.122	.043	2.816	.005
readi	←	Open	.187	.057	3.259	.001
readi	←	Spiri	.087	.037	2.359	.018
readi	←	Comt	.182	.062	2.943	.003
readi	←	jobS	.085	.044	1.951	.051

Standardized Regression Weights: (Group number 1 - Default model)

DISCUSSION

The result for Hypothesis 1 indicated that there are significant relationships between appropriateness of change, management support, change efficacy, individual spirituality, and openness to experience with employee readiness to change.

Appropriateness of change shows a significant relationship with employee readiness to change. This result is in line with previous findings by Holt (2002), Clark (2003), Bouchenooghee (2008), and Cole *et al.*, 2006, who note that employees’ perception on the importance of change, benefit of change, and justification of specific change may enhance their readiness to change. Further, the characteristics of change and content of change must be appropriate in order to make the implementation successful. The message of change has to be easy to transfer, to make employees think that the nature of change is relevant with organizational need (Holt, 2002). Armenakis and Bedian (1999) state that if employees realize the need for change and know the reason why change takes place—in other words, employees believe that the organizational change is needed and appropriate to be implemented—they will definitely have more readiness to change. Understanding the appropriateness of change also helps employees to believe that a specific change initiative will provide a good impact on the individuals (Piderit, 2000). Therefore, based on these arguments, it is very important to ensure that members of an organization believe a change initiative is appropriate.

This study also found change efficacy shows significant relationships with employees’ readiness to change. Armenakis and Bedeian (1999) state that change efficacy bolsters confidence in organizational members, as well reinforces the members to make the change successfully. Amiot *et al.* (2006) state in their study that individuals with low change efficacy perceived organizational change more stressful than individuals with higher scores on change efficacy. This is because low change efficacy makes employees doubt their abilities in responding to the demands of the job during organizational change. These employees tend to focus on their feeling of incompetence in facing the changes. Therefore, they are most likely to feel distressed and less ready to change. The fact that individual change efficacy is able to enhance employees’ readiness to change implies that individual change efficacy must be facilitated by the organization through training and development programmes where knowledge, skills, and abilities that are important for the success of the change programme are discussed and enhanced (Richard, 2004). Failing in providing employees with the relevant knowledge and

skills on the change initiative may lead to low change efficacy among employees, which may lead to low readiness and failure in the implementation of the change initiative (Cunningham *et al.*, 2000).

There was a significant relationship between management support with employees' readiness to change. This finding is in line with the findings of Holt *et al.* (2007), Naimatullah and Syed Ghulam (2010), and Rafferty and Simon (2005). The actual support from the organization can be in the form of peer and management support as well as system, goal, and the vision and mission of the organization itself (Larkin & Larkin, 1994; Galpin, 1996). Szamosi and Duxbury (2000) mention that a successful change programme can be achieved if an organization and its members believe that they need to be competitive in order to adapt to rapid changes; not only that, the organization and its members need to agree on expanding the organization. Vollman (1996) suggests if the key person in an organization does not support the change initiative, the organization should wait to implement the change until the key person will support the change agenda. This idea is supported by Cole *et al.* (2006), who states that managers' perceptions about change may have direct impact on their subordinates' perception. Therefore, the support of top management may enhance employees' readiness to change. Once the employees believe that their overall organization system, people, and values support the change initiative, employees' readiness to change will increase (Holt, 2002).

The present study found that openness to experience significantly influences employees' readiness to change. McDaniel (1992) found that an openness to experience personality is one domain of the big five personality traits necessary to have a significant relationship with employees' readiness to change. Smollan *et al.* (2010) also support this finding. In their study, openness to experience was found to be the most significant predictor of employees' readiness to change compared to the other four dimensions. This is because openness to experience creates a positive cognitive reaction toward change, which better can lead to positive emotion that can enhance employees' readiness. Similarly, Vakola *et al.* (2003) found that openness to experience significantly predicted employees' readiness to change. Also in agreement are Walker *et al.* (2007), who argue that employees who are not rigid and are open to new ways of doing things are more likely to accept a change initiative. Therefore, individuals with an openness personality disposition may consider change initiatives more positively compared to employees without an openness to experience disposition (Vakola *et al.*, 2003)

This study indicates a significant relationship between individual spirituality with employees' readiness to change. Previous studies indicated that an individual who is spiritually high accepts change initiatives positively (Olievera, 2011). Thomas and Solucis (2011) also state that individual spirituality determines readiness to change. Employees who feel that their life is meaningful believe that they get personal strength from God; thus, they will perform more and are satisfied with their job (Asmos & Dunchon, 2000). Benefield (2003) stated that the feeling of spiritual well-being makes someone more ready to accept organizational change initiatives. Similarly, Olievera (2011) found individual spirituality plays an important role in creating successful organizational change. Neal and Biberman (2003) as well as Mitroff and Denton, (1999) argue that with spirituality employees can have an ultimate purpose in life, developing good connections with co-workers, and having consistent personal values with organizational values. Therefore, highly spiritual employees will value their job and their friends

who might help them to be more ready in accepting a change initiative (Milliman *et al.*, 2003).

The results of the present study also found that organizational commitment significantly mediates the relationship between appropriateness, management support, and openness personality with employee readiness to change. This finding indicates that organizations need to ensure their employees are committed to the organization before implementing change. For, even though employees with personalities open to change may perceive that change is appropriate and that management support the change initiative, if the employees are not committed to the organization, it is difficult to enhance their readiness to change.

However, for organizational commitment seems to have no role in mediating between individual spirituality and change efficacy. This finding indicates that employees who are spiritually high and who have change efficacy will be more ready to accept change whether or not they are committed to the organization.

Implications of the Study

This study provides a number of contributions for the literature of readiness to change:

1. Assessment for employees' readiness before implementing change.

Psychosocial predictors of employees' readiness to change that have been identified in the present study can be used in assessing their readiness before implementing a change. If employees show high scores on these predictors, most probably their readiness level would be high. To know whether employees are ready for change, the questionnaire used in the present study can be used to examine whether the indicators of readiness to change exist among the employees.

2. Gauging employees' readiness by examining several aspects of individual, work related, and change-specific characteristics.

Results of the present study can help top management understand individual characteristic indicators for employees' readiness to change, work related indicators, and change-specific indicators. Therefore, this information can be used to ensure that those indicators are present before implementing change.

Limitations and Recommendations

The first limitation is that a single case sample was used, which was a Higher Learning Institution. The findings in this study may be difficult to generalize into different organizational settings. Therefore, it is recommended that future study include other types of organizations.

The second limitation is that although the present provides rich information on predictors of employee readiness to change, no intervention programmes based on the predictors identified in this study have yet been devised. Future studies may take the opportunity to validate results of this study by analyzing whether intervention programs based on the predictors found in this study are significantly able to increase employee readiness to change.

The third limitation is that the data collection method for the present study was cross sectional using a single method. For future study, collection of data using more than one method is recommended.

Despite the above limitations, the present study provides significant insight for institutions in preparing their employees to have adequate readiness to change. In a broader sense, the psychosocial variables of employee readiness to change as found by this study should be promoted to an advanced level in preparing and promoting employee readiness to change.

CONCLUSION

In conclusion, the present study has provided significant insights for higher learning institutions in preparing their employees to have adequate readiness to change. In a broader sense, appropriateness of change, management support, change efficacy, individual spirituality, and openness to experience should be promoted to an advanced level in preparing and promoting their employees for readiness to change. Organizations need to ensure their employees are committed to the organization before promoting the appropriateness of change, management support, and openness to experience. The finding in the present study suggest that promoting individual spirituality and change efficacy are very important in enhancing employee readiness to change, because these variables directly relate with employee readiness to change. This study can be utilized to establish a theory on readiness to change in a higher learning institution setting. Such studies are required to support organizational development of higher learning institutions that are also required to adapt with rapid changes in an era of globalization.

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