RESISTANCE TO CHANGE AMONG FIRST LINE MANAGERS IN MULTINATIONAL ORGANIZATIONS IN MALAYSIA

By
SHABAN M. S. WAFI

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ABSTRACT

Dramatic changes in organization structure and culture have become an essence that more and more individuals and organizations are recognizing the importance of the way that they can overcome the resistance to change. The present study was carried out to examine the relationship between resistance to change among the first-line managers and competence, perceive the cost and benefit of the change and the level of involvement in change. The present study is also interested to determine the influence of demographic characteristics (i.e., age, gender and educational level) on the resistance to change. A questionnaire was used to measure the variable of the present study and it was circulated to organizations which were randomly selected in Malaysia (Pulau Pinang) and out of 170 questionnaires that were distributed, 112 were returned and useable. The major findings of the present study showed that the more competent the first-line managers are they will resist less to change. The more job authority that the first-line manager could perceive from the change, the less resist for them to change and the higher the career level of the first-line managers the lesser the resistance to organization change. As for the demographic characteristics, only age and educational level influenced the resistance to change. The researcher has found that the older and more qualified the first-line managers are the more reluctant they are toward changes. It is hoped that the present study will offer insights to the issue of resistance to change among the Malaysian first-line managers.

Chapter 1

Introduction

1.1 Introduction

The main purpose of this project is to examine the impact of the perceived of benefit and cost, involvement in change and competence in the first-line manager. Resistance to change has been identified as one of the conclusive factor that determine if a first-line manager succeeds or fails on change implementation in the organization. According to Yousef (1999), sometime the change fails for many reasons; thus, the change has become one of the frustration source in today's organization. According to Zeffane (1996), the science of the management of an organization has become more complex and dynamic and he argued that the effective strategic change requires approach to leadership that are more likely to enhance work place change through involvement of the managers. By doing so, the researcher will conduct this study on the multinational organizations in Malaysia (Pulau Pinang).

The failed change efforts commonly blamed the competence of the manager which in turn drives the search for and selection of change of management solutions (Griffith, 2002). According to Gill (2001), the implementation of the change often fail because of poor management which include poor planning, monitoring, control, lack of resources, lack of training, incompatible corporate environment and policies of the organization.

The present study will focus on the resistance to change among the first-line managers of competencies there are three reason for focusing on the first-line manager. First, this group is

widely recognized as playing an important role in the change processes. Second, they hold the effective key on the eventual success or failure of major change. Third this type of manager connects directly with the employees and spends most of the time with them (Wilson, L., & Wilson, H. 1998) and (Zaaiman, J. J. & Lombard, C. N. 2004).

Specifically, our interest is in the relative importance of three factors as determinants of resistance to change amongst the first-line manager. The three factors are competency, perceived cost and benefit of change and level of involvement in change. In addition, the researcher also like to know the effect of age, gender and education level on resistance to change. To do so the researcher will use questionnaire as a method to collect data.

1.2 Background of the study

According to Kanter (1999), hundreds of books and millions of dollars have been specified in consulting as fees to leadership and organization change. And she also argued that the organizations need to change because it is a way of life. Sometimes, the organizations are forced to change for three main reasons; globalization, information technology and industry consolidation.

Bridges and Mitchell (2000) stated that innovation means change. It could therefore be argued that it has become critical for organizations to understand how they should manage change effectively. According to Robbins and Millett (1994) the competitive factors or innovations are the main factors that make the industry change to new equipment, tools or operating method.

Along the way, there are employees who resist following the companies changes. They some how say it out loud and express their opinions about the changes. There are some who just complaining among colleagues and there are some who just quiet and keep it to their heart. Anyhow, resistance to change somehow brings problems to the company. Pheng (1999) indicated that resistance to change is one of the primary reasons why change fails or why success is not achieved in the change process. More specifically, the inability of the first-line managers to deal with resistance to change has been as a primary cause for change projects to fail.

1.3 Statement of the problem

The main focus of the present thesis is to examine the resistance to change among first line managers in the multinational company. According to Yukl (1994), the employee resisted to change because of lack of trust and belief that change is unnecessary, belief that the change is not feasible, economic threats, relatively high cost, fear of personal failure, loss of status and power, threat to values and ideals and resentment of interference. However, Yukl (1994) argued that employees or individuals often perceive organizational change as a threat. However, the worst reason to change is because you have no choice. This is almost always an indicative that change has been postponed too long (Kent, 1992).

Organizations must response to change for the challenges that can face the Malaysian leaders like; growth and renewal; how to pursuer excellence; and how to arrange for the next millennium within the context of multiracial and multi-religions society (Yeoh, 1998). Thus, these are the main elements that make Malaysian organizations need to go across the change and challenge themselves to survive.

This study will try to investigate whether multinational organizations in Pinang do resistance to change. Previews studies have shows this to be so and interviews with managers of multinational organizations in Pinang have also indicated that this is a problem.

If the first-line managers are resisted to change, the effect would be a decrease in productivity resulting in sub-standard products and/or services. The resistance to change may affect the employees who are directly involved in the delivery of organizational products and services. The first-line managers are the one who directly responsible for the quality of service and products and it is therefore imperative that they should be more flexible toward resistance to change. The first-line managers is directly responsible to deal with the employees if they refuse to change.

According to Higgs and Rowland (2000), many organizations failed to carry out change effectively. Although effective changes are important for organizations, including those in Malaysia which operate in a dynamic environment, Higgs and Rowland (2000), estimated that as 70% of change initiatives fail. Malaysia is affected directly by the changes that take place in the world, because it is one of the developing countries that adapts to the open economic strategy. According to Harvey and Brown (1996), the survival of an organization depends mainly on the effectiveness of the organization to respond to the technology, social and economic environment that rapidly changing. Insufficient considerations of the changing environment are a mistake make by many managers in the past that end up creating problems for them (Harvey and Brown, 1996).

Pondering over the available literature review, the researcher found that there are almost no studies conducted among the first line managers in the Malaysian multinational organizations

regarding resistance to change. Thus, the researcher is interested to be the pioneer in studying this topic among the multinational companies in Malaysia.

1.4 The Objectives of the Study

Given the fact that this research is aimed at determining specific tools required by first- line managers to overcome resistance to change, the research objectives are as follows:.

1. To examine the relationship between demographic data (age, gender and education level) with the resistance to change.

2. To study the relationship between the perceived benefit and cost of change and resistance to change.

3. To study the relationship between the level of involvement of the first line manager and resistance to change.

4. To study the relationship between the competence of the first-line manager and resistance to change.

1.5 The Research Questions of the Study

1. Is there any relationship between demographic data of the employees (age, gender and education level) with the resistance to change?

2. Is there any relationship between perceived benefit and cost of change and resistance to change among the employees?

3. Is there any relationship between the level of involvement of the first line manager and their resistance to change?

4. Is there any relationship between the competence of the first-line manager and their resistance to change?

1.6 The Significance of the Present Study

Given the background, this research is based on the following four premises:

1. The researcher found that there are almost no studies conducted on the topic of resistance to change in the multinational organizations in Malaysia. Thus, the outcomes of this research will fit in the gap of the literature in the "resistance to change" field.

2. The first-line manager will know the important of the change and how resistance can affect the development and growth of the organization because resistance to change has constantly been identified as the primary barrier to change management. The first line managers will benefit from the result of this study at the level of their involvement in a project and also their competency in carrying out the project.

3. Organizations can build sufficient capacity to deal with resistance to change. By understanding the role of change process and the tools they require to make the multinational organization overcome the first-line manager resistance to change.

4. Continuous change is a prerequisite for organizations to survive in a competitively global economy, especially with the rapidly growth at the multinational organizations in Malaysia.

Given the poor track record of change implementation efforts, the significance of resistance to change, the critical role of the first-line managers in implementing and in structuring change, any research that attempts to fill this gap will be meaningful to both national and multinational organizations.

1.7 Definition of key term

- **Resistance to change:** encompasses behaviors that are acted by change recipients in order to slow down or terminate an intended organizational change (Lines, 2004).

- **Competency:** the ability to apply the required skills, knowledge, attitudes, attributes and values in the unique conditions and circumstances of an organization adhering to prescribed control guidelines (e.g. law, rules, policies and procedures) using the available equipment and tools and to such an extent that specific outcomes are achieved according to the required performance standards Lombard and Crafford (2003).

- **Perceive cost and benefits of change:** a person's attitude towards change and subsequent behavior stem from a process by which the perceived outcomes of a change are compared with the individual's goals and values (Lines, 2004).

- **First-line manager:** the person who manages and connects directly with the non-management employees and he/she is the first in line responsible to achieve results to ensure that market needs are met.

1.8 Organization of the Remaining Chapters

In chapter two, the researcher will discuss the existing literature regarding resistance to change. Next, chapter three propounds and illustrates the proposed methodology in the present study. Chapter four presents a detail examination of the results of the statistical analysis and finally chapter five provides conclusions, recommendations and an indication of future possible research themes.

Chapter 2

Literature Review

2.1 Introduction

According to Smith (2005), in the late of 1940s the phenomenon of organizational resistance to change has become a distinct field of study. One of the most well documented findings from studies of individual and organizational behavior is that organizations and their members resist change (Robbins and Millett, 1994). One of the concepts discussed, written about, and analyzed most frequently in recent years has been organizational change and the related concepts of resistance to change and management of change. (Mason, 2006).

Smith (2005) mentioned that change in organizations as any where else involves moving from a known state to a new state. Meanwhile, Mason (2006) defined change as "making a material difference in something compared to an earlier state, transforming or converting something, or simply becoming different". Sometimes changes could be initiated as a result of competencies values and aspirations instead of just reactions to external forces.

Burns added that (2000) in recent year the speed and the size of the change has increase significantly and he argued that the changes come in all shape, size and forms and for that reason, it is difficult to manage the changes successfully because there is no accurate picture or fixed strategy to change. Generally, change can be planned or unplanned responses according to the internal or external forces affecting an organization.

The critical goal for most organizations is to change successfully the climate and culture and these type of change are more difficult than operation or technology change (Mason, 2006).

There are also managers who have carefully plan to change and they have studies every stage of the changes and have tried to put solution for it. They have determined what change is needed and how to overcome the resistance to change by seeing the benefit of the change and cost, and also opportunity cost (Bolognese, 2002).

According to Giangreco and Peccei (2005) resistance to change is not always bad and could sometime lead to a better decision. For the better decision, first line managers should be preoccupied by changes to bring in either threats or opportunities to the companies.

2.2 Organizational change

Typically, the concept of organizational change is in regard to organization large change, as opposed to less significant changes such as adding a new person, delegate, and etcetera. Examples of organization large change may include a change in mission, vision, restructuring operations, new technologies, mergers, major collaborations, new programs and re-engineering. Often this term designates a fundamental and radical reorientation in the way the organization operates.

In general there are two types of organization change; that are called as routine and non-routine change. Routine changes are the easiest to manage and employees are somewhat more familiar to routine changes. A non-routine change is seen as threatening, and employees are likely to be resistant. Mason (2006) mentioned that there are four principal indicators for major organization change they are: 1) a change to the organizational structure, 2) a new product or

service, 3) new management, and 4) new technology. Mason (2006) also classified changes as these:

1. structural changes: occurs when there is an alteration to the company's organizational structure. This reorganization may occur due to a merger or acquisition or it may be the result of a restructuring.

2. cost changes: are those that occur when an organization attempts to reduce costs in order to improve efficiency or performance.

3. process changes: are implemented to improve efficiency or effectiveness of organizational procedures.

4. cultural changes: are the least tangible of all the types of change, but they can be the most difficult. An organization's culture is its shared set of assumptions, values, and beliefs.

Beginning in the 1990s, change came at an exponentially faster rate due to factors such as increased competition in a global economy, expanding markets, new ways of doing business such as e-commerce, and the omnipresent task of keeping up with the latest technology (Biegun, 2002).

One of the reasons why resistance to change destroys the company is that the manager's delay in changing the bottom-line success or market-share stability. "Since the company is making money, things must not be broken. So why fix it?", one manager may ask. The "catch" is that the bottom line is a historical measure, and it often takes a while for problems to give an impact there. If the managers wait until the bottom line is affected, their response to change

conditions is generally a year or two late (Kent, 1992). So the change and the update system must continually create the change culture and it should start through employees' in order to reduce the resistance.

There are many reason that make the organization forces of change and from that reason; and the most difficult for an organization to control is the external environment. The external environment factors creates an increasingly volatile environment, such as: uncertain economic conditions; globalization and fierce world competition; the level of government intervention; political interests; scarcity of natural resources; and rapid development in new technology and the information age. Mullins (2005) argued that the other major forces of change include: increased demands for quality and high levels of customer service and satisfaction; greater flexibility in the structure of work organizations and patterns of management; the changing nature and composition of the workforce; and conflict from within the organization

2.3 Management change

According to Mullins (2005), change management is a systematic approach in dealing with change, both from the perspective of an organization and on the individual level. A somewhat ambiguous term, change management has at least three different aspects, including: adapting to change, controlling change, and effecting change. A proactive approach to dealing with change is at the core of all three aspects. For an organization, change management means defining and implementing procedures and/or technologies to deal with changes in the business environment and to profit from changing opportunities.

Terry Paulson, the author of *Paulson on Change(1995)*, recommended "It's easiest to ride a horse in the direction it is going." In other words, do not resist against change; learn to use it to own benefit. According to Biegun (2002) the organization must give the necessary support for the change to take effect, if the change without support or there is misunderstanding it is unlikely to succeed.

The evolution of the change management field stems from the psychology, business and engineering fields. Hence, some models are derived from an organization development perspective whereas others are based on the individual behavioral model. For this reason, this section is divided into two sub-categories: individual change management and organizational change management.

Firstly, is the individual change management. Among the individual factors to resist change are selective perception; habit; inconvenience or loss freedom; economic implications; security in the past; and fear of the unknown (Mullins, 2005).

Secondly, organization change management. Among the factors of organizational resistance are organization culture; maintaining stability; investment in resources; past contracts or agreement; and threats to power influence (Mullins, 2005).

The researcher of the present study will focus on the individual management change and he will study resistance to change among a special category of the employees. that is, the first-line managers of international companies operating in Penang, Malaysia.

The management of change is very important nowadays for every changing business environment. The change is not easy like before, and managing it in a large corporate environment is more difficult and challenging (Peters, 2006). To recall, Giangreco and Peccei (2005) mentioned that resistance to change is not always bad. Resisting to the new change serves as a feedback to the top management that there is some thing is wrong and that give them the chance to re-think in order to make the right decision.

2.4 Resistance to change

Resistance to change has traditionally been viewed in relatively negative terms, as a sign of failure (Armenakis and Harris, 1995), or as a problem to be eliminated or minimized (Carnall, 1991; McCrimmon, 1997). Resistance to change is an essential factor to be considered in any change process since a suitable management of resistance is the key for change success or failure (Pardo del Val and Martines, 2003).

Zender in 1950 has defined resistance to change as, "Behavior, which is intended to protect an individual from the effects of real or imagined change ". Berham (1966) defined resistance as, "an aversive motivational state, initiated when one perceives that ones' freedom is threatened, and directing thought and action toward regaining the threatened freedom". According to Folger and Skarlicki (1999), resistance is defined as "employee behavior that seeks to challenge, disrupt, or invert prevailing assumptions, discovers, and power relations". Interestingly, Lines (2004) defined resistance toward change as "encompasses behavior that are

acted by change recipients in order to slow down or terminate an intended organizational change."

Change is not a small area of study. Change can be studied in term of its effects at the individual, group, organization, society, national or international level. However, because of its ambiguous nature, and it is difficult to study one area of change in total isolation (Mullins, 2005), the present study will focus on the resistance of change among the first-line managers in terms of their demographic characteristics (age, gender and education level), competency of the first line manager, their perceived cost and benefit and level of involvement in change.

2.4.1 Resource of Resistance

There are two main levels of resistance: change is often resisted at both the individual and the organizational level (Mullins, 2005).

2.4.1.1 Organizational Resistance

The importance of "resistance to change" has increased in the last 20 years or so as a result of the fast growing in the organization change faced by the struggling to survive in increasingly huge and competitive financial, technological and market environments (Kotter and Schlesinger, 1979; Pardo del Val and Martines, 2003)

Pardo del Val and Martines (2003) suggested that change is a necessity for organizational survival in this competitive era. The competitive mean must be innovation to survive and innovation means change. As a result the manager must have the tool to understand how to manage change effectively.

2.4.1.2 Individual Resistance

Vroom (1964) in the expectancy theory mentioned that " based upon perceptions, attitudes and beliefs, people consciously choose courses of action as a consequence of their desires to enhance pleasure and avoid pain". America's business history have many examples of companies that have run the full cycle from huge success to ultimate failure. One main reason for this cycle is that success may make the employees arrogance, arrogance may make them resist to change, and resistance to change may lead them to failure (Kent, 1992).

According to Oreg (2003) resistance to change would be a multidimensional disposition that comprises behavioral, cognitive and effective components. Mason (2006) mentioned that as a general rule, it is not the changes that people resist, but they resist the personally impact that the change will have on them. Also according to Ludeman and Erlandson (2003) resistance towards change often happens for different reasons and one of them are the individual himself.

Individual resistance to change can take many shapes and it is often not easy to identify the exact reasons for the resistance. The forces against change in work organizations include: ignoring the needs and expectations of members; when members have insufficient information about the nature of the change; or if they do not perceive the need for change. Fears may be expressed over such matters as employment levels and job security, de-skilling of work, loss of job satisfaction, wage rate differentials, changes to social structures and working conditions, loss of individual control over work, and greater management control (Mullins, 2005).

Kirkpatrick (1994) listed a number of reasons that people resist or resent change, namely because they fear losing their jobs; do not perceive the benefit of change; do not understand the

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reasons for the change; are not involve in change and have negative feeling about the organization or their jobs. The present study will make use of " involvement in change" as one of the independent variables. Folger and Skarlicki (1999) added that employees resist change because they feel threatened, especially when they see change as imposing hardship or loss. Cobb, Wooten and Folger (1995) found that the main reason for individual resistance to change in an organization is that employees feeling that there is no balance between the organization's goal compared to the individual's goal, and mostly, the change leads to the benefit of the organization and the employees have to pay the cost.

Individuals may Resist from one or a combination of factors such as change in employee authority, reduction in economic security, psychological threats and disruptions of social arrangements and lowering of job status (Dewson, 1994).

2.4.2 Result from Resistance to Change

According to Smith (2005) people who are working in organizations respond to change in many different ways. For some, change is warmly welcome. These people, the early adopters and change leaders, tend to welcome and embrace change. Others may be more careful – responding to change by seeking to test and examine changes before going on. For some, change may threaten their established values and understandings and therefore be deeply worrying. For this latter group change is something to be strongly resist.

Some common employees reactions to change include confusion, denial, loss of identity, and anger (Mason, 2006). Because change brings uncertainty, manifestations of change resistance

are a natural and expected part of any process of organizational change. Resistance can manifest in many different ways and in different degrees – from mild expressions of reservation about changes, through to active hostility and attempts to delay, subvert, or stop change (Smith, 2005).

The resistance to change is one of the primary reasons why change fail or why success is not achieved in the change process. More specific, the lack of managers to deal with resistance to change has been cited by Pheng (1999) as a primary reason for change projects to fail. In today's economy, change happens continuously, in most of the organization activities and often at rapid speed. Because change has become an everyday part of organizational dynamics, employees who resist the change can directly affect an organization in achieving its goal (Cummings and Worley, 1993; Folger and Skarlicki, 1999; Bolognese, 2002).

2.4.3 Solution of Resistance to Change

By viewing organizational change and resistance to change primarily from a managerial viewpoint, there is an inbuilt assumption that resistance is expected, that it is a largely negative force and that the first step in change must be how to overcome resistance (Smith, 2005).

Change is necessary to continues success and growth. Some organizations have a culture that welcomes new ideas and support it by motivate the employee to innovate, while others punch them (Kent, 1992). Before the change start, the top management must take into account that some degree of resistance as part of any process of organizational change (Smith, 2005).

We would suggest that the top management level should pay special attention to certain topics. First, to study the reasons that make employees resist and avoid the change. They should

also consider how much organizational culture fits with the change objectives and how to improve them before the change process starts. This cultural consideration would also help to bring both employees and management together (Pardo del Val and Fuentes, 2003).

2.5 First-Line Managers and Their Roles in Organization

Frylinck (1998) indicated that the meaning of the term "first-line manager" is not that clear. In general the first line managers are responsible for organizational output. Thus, that is why the first line manager fulfills a sensitive place in the change implementation.

There are specific descriptions or definitions that describe first line managers more accurately. Bittel (1987) in Frylink, (1998) provided the following concise definition of first line managers: "Their major objective is working with and through non-management employees to meet the objectives of the organization and the needs of employers". Meanwhile, Robbins (1998) described first- line managers as "managers who oversee the work of operational employees or non-management employees". In addition, Smit and Cronje (1997) in Zaaiman and Lombard (2004), described first line managers as follows: "The managerial functions of first-line managers are centered on the daily activities of departments or sections, short-term planning and implementing the plans of middle management. Their primary concern is to apply rules and procedures to achieve a high level of productivity, to provide technical assistance, to motivate subordinates and to accomplish day-to -day objectives".

For the purpose of the present study, the researcher defined first-line manager as "the person who manages and connects directly with the non-management employees and he/she is the first in line responsible to achieve results to ensure that market needs are met."

Thus, it is important for the first line managers follow to directions from the top management so as to produce and bring profits to organizations. Imagine if this group is strongly appose to the change that the management would carry forward. The whole company may collapse if the first line managers resist to change. According to Wilson and Wilson (1998), the first line managers are responsible for employees in order to overcome their worry and fear of the change and creating a new environment where learning is a norm and people are allowed to learn from mistakes.

The first line manager is a sensitive position in the organization because he or she is the first in the line responsible for the product and service that comes out from an organization. This outcome is the relation between an organization and its customers. If the customers are dissatisfied, they will take their business elsewhere and it will present opportunities for rival organizations in a particular industry. The responsibilities of the first line manager include the following (Frylink, 1998): facilitating effective change strategies that was formulated by top managers, operationalising the change requirements for their specific areas of responsibility and ensuring that products and services are delivered according to customer and client standards.

According to Lombard and Crafford (2003), a number of key variables need to be addressed in testing the competence requirements for first-line managers to deal with resistance to change. The first-line managers should be:

- instrumental in the facilitation of successful change;

- able to deal with resistance to change on an individual and team level;

- able to create an environment that is receptive for change where the team members become the custodians of the new changes to improve products or services; and

- able to cascade organizational strategies to his/her personal area of responsibility.

In the present study, researcher followed these key variables from Lombard and Crafford (2003) in defining the tasks of first line managers in dealing with resistance to change.

2.6 First-Line Managers' Competency and Resistance to Change

Stolovitch and Keeps (1992) referred to competency as "a match between the knowledge and skills of a company's employees and the role requirements". Sherman, Belcourt, Bohlander and Snell (2001) also refer to competencies as "the skills and knowledge required to perform a job". Meanwhile Bellis (1998) defined competency as "a skill or cluster of skills performed to specific criteria (standards of performance) within an indicated range of contexts, by integrating appropriate knowledge and understanding and the ability to transfer the skills to other related contexts."

Lombard and Crafford (2003) defined competency as "the ability to apply the required skills, knowledge, attitudes, attributes and values in the unique conditions and circumstances of an organization adhering to prescribed control guidelines (e.g. law, rules, policies and procedures) using the available equipment and tools and to such an extent that specific outcomes are achieved according to the required performance standards". For the purpose of this research,

the researcher adapt this of the present study will make use at this definition in defining the first line managers competency.

In summary, it can therefore be argued that competency is something that is measurable. Rowe (1995) supported this view when he stated, "competent means the minimal standard required – as in the driving test – but with management competencies we want someone to be "thoroughly competent" - in a more "total quality" sense".

As hard as the change is, it must be well managed. It requires the manager to have some level of competency in order to introduce change successfully (Gill, 2001; Ghoshal and Bartlett, 1995). Since change is not that easy to control, the top management should understand that they cannot simply delegate the work of managing change to others who do not have competency. The process of changing requires experts (Etorre, 1999).

In their research of Singapore's local small and medium enterprises, Tan and Tan (2005) found that there was a positive relationship between the adaptability, flexibility and optimism among manager and the organizations ability to cope with change. On the other hand, Gill (2001) pointed out that the main source of successful change management is to have effective managers to deal with change.

There is a correlation between the units of competence identified by Lombard and Crafford (2003) and it is very important the for first-line managers to deal effectively with resistance to change. According to Lombard and Crafford (2003) There are a few elements of competency that the first-line managers should possess in order to overcome resistance to change. The first-line manager elements of competency to deal with resistance to change are :

- Analytical skills

- Entrepreneurial skills

- Business acumen

- Communication skills

- Problem solving and decision-making

It could be argued that the units of competency which are identified by Lombard   and

Crafford (2003) above reflect an integrated and holistic approach to enabling first- line managers

to deal with resistance to change.

A criteria for successful change required that managerial resistance to change need to be

overcome before that of operational   employees should be dealt with. The empirical research

confirms this criterion for successful change.

2.7 First line managers' perceived cost and benefit of change and resistance to change

Individual's resistance level can lead to different levels of acceptance of change through its

influence of the behavioral, cognitive and affective conditions. The expenditure of an individual's

effort is determined by expectations that an outcome may be attained and the degree of value

placed on the outcome in the person's mind (Porter and Lawler, 1968). As such, a person's

attitude towards change and subsequent behavior stem from a process by which the perceived

outcomes of a change are compared with the individual's goals and values (Lines, 2004).

If the picture of the new change is not that clear according to Mullines (2005) he argued

about a fear of the unknown : changes which face people with the unknown tend to cause anxiety

or fear. Many major changes in a work organization present a degree of uncertainty; for example, the introduction of new technology or methods of working. For example a person may resist a promotion because of ambiguity over changes in responsibilities or the increase social demands of the higher position.

Some of the first-line manager cannot really see any benefits that they will get from the change and see the change as "border" for them to comply. These feeling will lead them in vague of the directions of the organization. When this situation exist, they will not accept and follow the change. There are six elements of perceived cost and benefit of change. The six element are:

1) job responsibility,

2) job authority,

3) job status,

4) career,

5) job security and remuneration, and

6) social integration.

2.7.1 Job Responsibility

The first component of perceived costs/benefits of change relates to gains or losses at job responsibility of the first line manager. According to Giangreco and Peccei (2005) a change process often brings new elements into an organization. The change also brings new distribution of responsibilities that can affect the individual's behavioral response to change. In this case of