The influence of organization Structure for change on Employee Performance

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Abstract
Change has become a constant phenomenon which must be managed properly for an organization to survive. Knowledge and awareness about many of the critical issues involved in the management of such change is often lacking. The changes must inevitably improve employees performance, however in order to achieve high performance through employees, the organization must consider them as assets and must treat them with attention so that they become productive.

This exploratory study begins to fill the empirical gap by examining the current trend of change management influence on employee performance through sample of employees in selected Divisional Secretariat in Kaluwanchikudy. The important exploration of this study analyses the impact of change management on employee performance. The data were collected though the questionnaire with random sampling method and collected data were analyzed and evaluated by univariate, bivariate and ANOVA techniques for this study.

The study considers as change management independent variable with employee performance as dependent variable. Overall view the change management strongly positive influence the employee performance. And found the relationship between change management and employee performance. Eventually this report recommends some action for improving role of change management in influence the employee performance.

Key words: Employees Performance, Change Management, Organization structure.
1. INTRODUCTION

Many organizations are occasionally faced with challenges that force them to adjust or change (Burnes, 2004). Development organizations, in particular, regularly have to go through change processes when having to respond to new development scenarios or simply as part of their expansion or restructuring processes. The implications of change processes are regularly underestimated by senior management and not managed adequately.

Most organizational managers today would agree that change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive.

According to Schaffer (1992), those organizations which do survive are often relegated to the role of playing “catch up” to their competitors, while others are either absorbed into larger entities via mergers or acquisitions or simply dissolved into a collection of corporate assets and liabilities. In fact, many of the popular trends in management and organizational consulting such as business process re-engineering, total quality management and the learning organization, represent systematic methods for responding to and channeling effectively the forces of change.

A host of external factors influence an organization's choice of direction and action and ultimately, its organizational structure and internal processes.

The world is always changing with time, and managers face complex and challenging pressures and opportunities. Faced with stiffer competition and dizzying technological advances, companies often must change course to stay competitive. The changes must inevitably improve employees performance, however in order to achieve high performance through employees, the organization must consider them as assets and must treat them with attention so that they become productive (Harington, 2003).

1.1. Research Problem:

Each change has consequences and implications, and one of the most important results of every process of change is a making a positive change in performance. The role of management is to systematically change work to convince workers of the importance of the change process role to
reach the desired goals, Divisional Secretariat in Kaluwanchikudy have passed a series of changes in organizational structure, change in technology and change in individuals.

In this research, main problem is that analyses, 

**Does the change management effect on employee performance?**

These research attempts to investigate how far change management influence on employee performance. As this study investigate Divisional Secretariat in Kaluwanchikudy related to government sector the specific questions of this study are:

- What is the Level of Employee Performance in Divisional Secretariat in Kaluwanchikudy?
- Is there any relationship between Change Management & Employee Performance?
- What is the Level of Influence of Change Management & Employee Performance?

**1.2. The Importance of the Study:**

- This study will help in coping with the phases of change management and adoption of special strategic directions in the area of the Organization's strategy, organizational structure, technology and skills of individuals.
- This study will help in giving suggestions that would help in the development of Divisional Secretariat in Kaluwanchikudy.
- Researcher hopes that this research will contribute to increasing and enrich knowledge in this area and to add new scientific addition to the Divisional Secretariat in Kaluwanchikudy.

**1.3. Research Objectives:**

This study focuses on exploring the impact of change management on employee performance related to the Divisional Secretariat as the main objective of this study.

- To study on how Change Management effect on Employee Performance.

Further, this study also aims to achieve the following as the secondary objectives.

- To find out the Nature of Employee Performance.
To find out the relationship between Change Management & Employee Performance.

To find out the Level of Influence of Change Management on Employee Performance.

2. LITERATURE REVIEW

Change in the workplace is an issue that every leader, manager, and employee has to deal with at some point in their career. That is why it is important to understand the impacts of change. Workers are expected to be committed to continuous change, (Sturdy & Grey, 2003 in Amy Taylor-Bianco & John Schermerhorn Jr, 2006) and accomplish it without any lessening of day to day performance, meaning employee must perform well and change at the same time.

2.1. Change in Organizational Structure

Structural change refers to a long-term shift in the fundamental structure of an economy, which is often linked to growth and economic development. For example, a subsistence economy may be transformed into a manufacturing economy, or a regulated mixed economy is liberalized. A current driver of structural change in the world economy is globalization. Structural change is possible because of the dynamic nature of the economic system. Patterns and changes in sectoral employment drive demand shifts through the income elasticity. Shifting demand for both locally sourced goods and for imported products is a fundamental part of development. The structural changes that move countries through the development process are often viewed in terms of shifts from primary, to secondary and finally, to tertiary production.

An organizational structure defines how activities such as task allocation, coordination and supervision are directed towards the achievement of organizational aims. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment. An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs.

Organizational structure allows the expressed allocation of responsibilities for different functions and processes to
different entities such as the branch, department, work group and individual

Organizational structure enables a company to have common views and missions. Top management decides those missions, vision and goals for the whole organization, however it is lower management who brings them close to employees and guides them towards a common goal. Organizations can be structured in many ways; in general it means relations between employees and the operation modes based on these relations and determines duties, responsibilities, and communication networks of the organization. (Lämsä & Hautala, 2004, 152).

Well-functioning organizational structure is important for a company that is going through change, because if there are flaws in the structure it will affect communication flow.

2.2 Performance of Employees:
Performance refers to the degree of achievement and completion of the task of the individual, it reflects the way to achieve it, or how the individual perform the job requirements, and often there is a confusing and overlapping between performance and effort, effort refers to the used energy, but performance is measured on the basis of the results achieved by the individual. (Mohammed, 2001: p. 209)

3. Conceptual Framework

Figure 3.1: Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Structure</td>
<td>Employee Performance</td>
</tr>
</tbody>
</table>

Source: adopted and modified

4. RESEARCH METHODOLOGY
For the study of the impact of change management on employee performance, data were collected based on primary and secondary sources. Primary data collected by issuing questionnaire and secondary data
collected from past research papers, literature, reports, and internet. The unit of analysis refers to the level of aggregation of the data collected during the subsequent data analysis stage. This study in concerned the unit of analysis was the individual staff of selected Divisional Secretariat in Kaluwanchikudy.

4.1 Method of Measurement

Likert's scale of 1-5 which ranges from “Strongly disagree” to “Strongly agree” was applied in the part I of the questionnaire to identify responses. The Likert's scale is a widely used rating scale that requires the respondents to indicate a degree of agreement or disagreement with each of the series of statements about the stimulus objects.

4.2 Scale of Measurement

Table 4.1 Evaluation criteria for mean values

<table>
<thead>
<tr>
<th>Range</th>
<th>Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1≤X≤2.5</td>
<td>Low level</td>
</tr>
<tr>
<td>2.5&lt;X≤3.5</td>
<td>Moderate level</td>
</tr>
<tr>
<td>3.5&lt;X≤5.0</td>
<td>High level</td>
</tr>
</tbody>
</table>

4.3 Data presentation, analysis and evaluation

Data has been presented using tables and charts. Meanwhile Inferential and descriptive analysis were used for data analysis. Hence under the descriptive analysis, mean and standard deviation were derived from the analysis of samples. In inferential analysis, correlation has been applied. Statistical package of SPSS 16.0 has been used for this purpose. Furthermore criteria shown in table were adopted to evaluate mean values.

5. DATA PRESENTATION AND ANALYSES

5.1 Personal Information

5.1.1 Gender perspective of staff

Among the total respondents, 70.66% of respondents were found to female category,
and remaining 29.44% represents are male category.

5.1.2 Age distribution of staff
Age distribution was categorized into three classes. Among the total respondents, 60.7% of respondents were found in between to 25-35 years old, 32.7% were founded in between 36 to 45 years of age, and remaining 6.7% represents are above 46 years.

5.1.3 Level of Educational Qualification of Staff
The educational level of respondents were classified by four categories from the questionnaire, 2% of the respondents had G.C.E Ordinary level qualification, 40.7% of the respondents had G.C.E Advanced level qualification, and 10.7% of the respondents had diploma qualification and where remaining 46.7% of them were found under the category of other qualification (graduate, post graduate…).

5.1.4 Level of Work Experience of Staff
Experience has been divided into four categories and 0.7% of the respondents with less than 1 year working experience, 67.3% were 2-5 years working experience, 24.7% were 6-10 years working experience, 7.3% and were more than 10 years working experience.

5.2 Research Information
Overall Change in organizational structure has mean value of 3.972 with standard deviation of 0.919 and it has high level influence in each department.

Correlation between change in organizational structural factors and overall employee performance (r = 0.700, p < 0.05) had fallen on (r = 0.5 to 1.0), it was found as high level positive relationship.

5.3 Change in Organizational Structure
Organizational structure has high level significant positive relationship with Employee performance. Therefore overall Employee performance dimensions have high level of significant with Organizational structure factors.

Pearson test is used to find the relationship between the change in organizational structure and performance of workers and the calculated r value for change in organizational structure axes is equal to the
largest of 0.700 value indicating a relationship with statistical significance 0.05 = α between change in organizational structure and performance of workers, This is a strong positive correlation as it tends to +1. This means that a positive relationship exists between organizational structure change and employee performance therefore accepting the hypothesis that there is significant relationship between organizational structure change and employee performance and this demonstrates that systematic and scientific changes in organizational structure a will improve performance.

6. DISCUSSION OF FINDINGS

Level of Change in Organizational Structure

Information regarding change in organizational structure factors were measured through the three indicators, among these three indicators; Make fundamental changes in organizational structure, the mean values are 4.29, according to this study decision attribute that found as high level at divisional secretariat staff. Which means the selected divisional secretariat have to pay high attention on conducting staff development.; organizational structure helps to manage the process of change, the mean value of this indicator is 4.09, according to this study decision attribute that found as high level at selected divisional secretariat, which means the selected divisional secretariat have to pay high attention on conducting organizational structure helps to manage the process of change .which shows that the change in the organizational structure is flexible and clear, and there is foundation of new divisions , and its organizational structures is development and move away from hierarchical structures, and that horizontal structures are fundamental in change management.

Clear lines or authority and responsibility, the mean values are 4.12, according to this study decision attribute that found as high level at divisional secretariat staff. Which means the selected divisional secretariat have to pay high attention on conducting Clear lines or authority and responsibility ; delegation of authority for staff, the mean value of this indicator is 3.42, according to this study decision attribute that found as moderate level at selected Divisional Secretariat, which means the selected Divisional Secretariat have to pay moderate
level attention on conducting delegation of authority for staff. which shows that the lack of clear lines of authority and responsibility to departments in Divisional Secretariat leading to overlapping powers and responsibilities which in turn leads to block action.

Easiness of flow of communication, the mean values are 4.29, according to this study decision attribute that found as high level at Divisional Secretariat, which means the selected divisional secretariat have to pay high attention on conducting easiness of flow of communication. Which shows that the flexible communication system between the different sections.

The reasons for high attention of the above all indicators are mostly close with inter functions of an organization and enhances the capability and performance of individuals and there by the performance of the Organization (Aragon Sanchez et al., 2003).

Organizational needs and structures may change from time to time. Every organization should be concerned about organizational structure. Well-functioning organizational structure is important for a company that is going through change, because if there are flaws in the structure it will affect communication flow. Change in Organizational structure helps the employees to meet the standard of work and to cope up with the changes in the Organization. (Lämsä & Hautala, 2004,)

Change management components is available, as internal and external environment has been examined, there is an identified flexible organizational structure, high level of effective leadership able to persuade workers to change, high level of good lines between management and employees.

**References**


