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Organisational Change and Organizational Behaviour in Port Harcourt Electricity Distribution Company, Rivers State

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Abstract:

The study examined the impact of organisational change on organisational behaviour, use PHED as a case study. The research was guided by three queries and three objectives. The study sought to examine the impact of downsizing, changes in job design, and digital transformation on employee behaviour within PHED. The study investigated issues like corporate change and organisational behaviour. The theoretical underpinning for the study was the Individual Perspective School. The theory's significance to this study is based on the premise that employee behaviour, integral to organisational behaviour, is influenced by change stimuli such as downsizing, job design modifications, and digital transformation. These are threats to personal safety. The study used a survey methodology. The survey approach was used since it enabled the researcher to get insights and responses from a sample on the topic of investigation. The study population included 3,000 employees of The Port Harcourt Electricity Distribution Company (PHED). The research was performed via a simple percentage approach. The sample size of the research was 400, as calculated by Taro Yamane. The study revealed that layoffs at PHED cause employee distress and that downsizing results in employee dissatisfaction. The research recommended that PHED human resource managers use strategies to alleviate the effects of downsizing on employees.

Keywords: Organisational Change, Organisational behaviour, Employee and Employee Productivity.

Introduction

Change is inevitable in any organisation. The pace of change is constantly rising; particularly with the advent of the internet and the fast adoption of new technologies, there is evident proof of creative business methodologies and alternative lifestyles. Organisations operate as subsystems inside society; hence, social changes affect their operations, policies, and viewpoints, while organisational changes, in turn, influence society. Business operations occur within a dynamic environment marked by change, and an organisation that neglects to recognise the inevitability of change will eventually face self-destruction. An effective manager continually adapts the strategy and operations of their organisation in response to technological advancements, social dynamics, political environments, and economic situations.

However, it must be recognised that nothing is more challenging or taxing than creating a new system. The behaviour of workers in response to change has become a notable difficulty for management in modern and complex organisations. Chin and Berne [1] acknowledge that employee resistance significantly contributes to the failure

of several well-intentioned and well-designed organisational change efforts.

The majority of individuals prefer predictability and stability in their personal and professional lives over change. Such individuals often avoid situations that disturb order, threaten their self-interests, increase stress, or pose risks [2]. Individuals often display initial reluctance when faced with alterations to the established order. This resistance endures, and in some cases escalates, until people recognise the merits of change and evaluate the benefits as surpassing the dangers or threats to their self-interest. Bellinger [3], Inga [4], and Kotter [2] contend that people resist change due to an inherent human aversion to the imposition of external will. However, since no organisation can afford to stay static in the ever-evolving global business environment, organisational change management is crucial to securing, modifying, and shaping employee behaviour in alignment with changing business demands. This study seeks to examine the domains in which change often transpires inside businesses, contributing to the literature on successful organisational change management. It will examine the relationship between an organisation's leadership style and its strategy for implementing change, evaluate the potential for employee resistance to change even when well informed, assess whether organisational change is more successfully administered with employee engagement, and determine whether improvements in communication quality and interpersonal ties between management and employees reduce resistance to change.

Statement of the Problem

Public sector organisations are subject to the constant flux of change. A company will fall behind the competition if its leaders refuse to adapt to changing circumstances. Government actions, such as the privatisation of publicly-owned organisations or agencies, may cause organisational change, which in turn affects employee conduct. Stavros *et al.* [5] state that when organisational changes like downsizing and restructuring (in this instance, privatisation) take place, workers may begin to feel anxious, stressed, and lack confidence. Even if change is only a process, it must be addressed since workers have a hard time accepting change. Burke [6] reiterates that most people dislike change. Consequently, as change starts to happen, executives have a chance to steer the company in a new direction—one that aligns with workers' key values—by leading and inspiring them.

According to Stavros *et al.* [5], employees experience stress before, during, and after organisational change. This stress causes conflict, discomfort, and resistance, which in turn affects staff motivation and performance. Examining how organisational transformation affects organisational behaviour (employee conduct) in public sector organisations is the primary goal of this empirical study.

Research Questions

The research questions for the study, are:

1. What is the impact of downsizing on employee behaviour in PHED?

2. What is the impact of change of job design on employee behaviour in PHED?

3. What is the impact of digital transformation on employee behaviour in PHED?

Objectives of the Study

The study has the following as its objectives, to:

1. Examine the impact of downsizing on employee behaviour in PHED

2. Examine the impact of change of job design on employee behaviour in PHED

3. Examine the impact of digital transformation on employee behaviour in PHED.

Literature Review

Organizational Change: One definition of an organisation is "a collection of people who have come together in a structured way to achieve common objectives" [7]. According to Armstrong [8], organisations are complicated systems in which people carry out their responsibilities. An organisation is just a collection of individuals who have come together to work towards a common objective, and in doing so, they have helped each other reach their own personal objectives. An organisation is defined by Robbins [9] as a social unit consisting of two or more individuals who work together in a generally constant fashion to accomplish shared objectives.

Another way to look at organisations is as a set of interconnected roles and processes that work together to achieve a common goal. The significance of organisational structure and procedures in achieving shared objectives is highlighted by this concept [10]. To go from one condition of circumstances to another is, in essence, to undergo change. It means giving up the old ways of doing things in favour of something different. Whether at the operational or strategic level, change is constant in organisational existence [11]. The capacity to foresee one's organisation's future goals and the adjustments that will be necessary to achieve those goals is, without a doubt, crucial [12].

Many demands for change are exerted on organisations as a result of the environment's complexity and the pace of technology. Organisations are driven to implement change efforts by a variety of triggers and the constant flow of new innovations. The external and internal environments of organisations both contribute to these demands for change [13]. Changes in technology or demands from outside the company, such as the government or rival businesses, are examples of external sources.

Individuals, including shareholders, managers, and workers, may initiate change from inside. A number of variables contribute to the dynamic environment in which organisations develop their operations, including globalisation, new technology, and cultural transformations. Consequently, organisations are faced with the challenge of adapting to their environments more often. The challenge of how to react to change constantly arises for management, regardless of where the demand for change is coming from. Organisational goals and strategies, technology, human resources, organisational structure, and external business environments are often the sources of conflict [14].

Change was classified by Naoler and Tushman [15] into two broad types: radical and incremental. They also distinguished between reactive and proactive change. According to them, a radical shift is one that alters the organisation's fundamental framework—its strategy, structure, people, procedures, and even core values—and has an effect on the whole system. After a period of flux or unexpectedly rapid change in the environment, for example, a more fundamental issue may necessitate a radical shift in strategy or approach.

Conversely, changes that occur frequently in organisations and do not always need to be minor are called incremental changes. Even while they often take place within the context of the organisation's current definition and frame of reference, big and important changes like organisational structure shifts, new technology implementations, and substantial changes to personnel practices do so. In order to maximise short-term performance, Johnson [16] states that the gradual approach to change is more typical. Since the environment is in a perpetual state of flux, the incremental perspective proposes that a continual process of incremental change may help safeguard the company's future and boost organisational performance.

When a company makes a change in reaction to an outside force or a major issue with internal operations or management, this is called a reactive change. Reactive change is defined by Bennis and Thomas [17] as an adjustment to an organisation's policy made in response to an incident. The impetus for this shift comes from outside influences. Most

changes are spontaneous and made in reaction to some event. Since there is not enough time to assess the issue and formulate a well-thought-out strategy, management makes modifications to address the problem in a routine and fast way. As soon as environmental events, risks, and opportunities occur, appropriate action is taken.

Whereas reactive change occurs when an organisation is not facing any major issues at the moment, proactive change occurs when management foresees the necessity of change to improve the company's position or address existing or future difficulties. Despite the fact that this proactive method of handling change is often better, the reality is that most businesses choose a reactive strategy, often due to the widely held belief that change is unnecessary if present performance is adequate [14].

Organizational Behaviour: Research in the area sometimes referred to as "organisational behaviour" focuses on the many factors that impact management strategies, employee responses, and the overall environment in which firms operate. The fact is that many commonly held beliefs about organisational behaviour, such as the assumption that a "happy worker is a productive worker," are either entirely false or only relevant in certain situations, which challenges the notion that understanding people's actions in the workplace is straightforward. In order to describe, understand, and study organisational behaviour and its causes, the discipline of organisational behaviour provides a framework of concepts and theories.

The study of human actions and interactions as they occur within the context of organisations is known as organisational behaviour (OB), according to Brooks [18]. Even the name suggests that a man's behaviour in a social setting can differ from his behaviour when he is alone. This is also the situation, as stated by Mullins and Christy [19]. Organisational behaviour, they all agreed, revolves around studying workers' actions while on the job. Simultaneously, Nelson and Quick [20] investigated workplace group dynamics and behaviour.

According to McShane and Von Glinow [21], the term "organisational behaviour" (OB) describes studies that examine how people think, act, and feel in connection to businesses. But this form of organisational behaviour is unique to companies and cannot be seen anywhere else. At stake are human resources, productivity, performance, turnover, and absenteeism in the workplace [22]. Since OB is essentially about people and how their activities affect the outcomes of the organisation, the two continued by saying that it should be studied in connection to subjects such as motivation, leadership style, group dynamics, change management, interpersonal communication, conflict resolution, negotiation, work design, and interpersonal perception and attitude formation. Similarly, OB may help with teamwork and solo efforts, achieving organisational and personal goals, lowering anxiety, seeing into the future, fixing flawed common sense, and embracing more accurate personal theories [21].

Theoretical Framework

This study is grounded on the Individual Perspective School. It is classified into Behaviourists and Gestalt-field theorists (Inga, 2003). Behaviourists see behaviour as a result of an individual's engagement with their environment. From the Behaviourist approach, all behaviour is learnt, and human actions are shaped by expected consequences. Behaviours that get reward are likely to be repeated, but those that are ignored are unlikely to reoccur. Thus, changing behaviour requires adjusting the circumstances that trigger it. Behaviour modification involves the manipulation of reinforcing stimuli to reward desired actions. The aim is to swiftly reinforce all instances of the desirable behaviour while ignoring all occurrences of the bad behaviour. This is based on the concept of extinction; behaviour will diminish over time if it is not reinforced. The shortcoming of the Behaviourist approach lies in its reductionist tendency, seeing people only as mechanical components that respond solely to environmental stimuli. Gestalt-field

theorists assert that learning is a constant development of insights, perspectives, expectations, or cognitive patterns (Inga, 2006). Gestalt therapy posits that persons function as whole organisms, with both positive and negative attributes that must be recognised and permitted expression (Ewton, 2006). Individuals encounter challenges when they become disjointed and neglect to accept their entirety. Gestalt-field theorists assert that behaviour is not only a result of external cues; rather, it arises from the individual's cognitive interpretation of these inputs. They claim that when individual members of an organisation modify their self-perception and understanding of the pertinent situation, it will lead to a change in behaviour. The Individual Perspective School asserts that behavioural change results from an individual's engagement with or perception of external stimuli or the environment. The relevance of the theory to this study is based on the premise that employee behaviour, integral to organisational behaviour, is affected by change stimuli such as downsizing, modifications in work design, and digital transformation. These are threats to personal safety.

Methodology

This study used a survey research design. This strategy is deemed suitable due to its efficacy in differentiating features of a broad population from a selected group. The survey design is used since it enables the researcher to get thoughts and replies from a sample on the field of inquiry. The research population comprises 3,000 workers of The Port Harcourt Electricity Distribution Company (PHED). The study's sample size is 400, as estimated by Taro Yamane. The statistical formula proposed by Taro Yamane is as follows:

$n = N/ 1+ N(e)2$

n = 3,000

e = 5/100 = 0.05

Therefore:

3,000 /1+3,000 (0.0025)

3,000 /5.5

= 399.7

Approximately 400

Simple random sampling technique was used in selecting the sample size to ensure little or no bias in the selection process.

The method of data analysis employed in the study will be Simple Percentage.

Data Presentation and Analysis

3.1 The Administration and Retrieval of Questionnaires

Copies of Questionnaire	Frequency	Percentage
Administered	400	100%
Retrieved	300	75%
Number not Retrieved	100	25%
Total	200	50%

Source: Field Survey, 2024

Four hundred (400) questionnaires were successfully administered but three hundred 300 (75%) were completed and returned, while 100(25%) were not returned by the respondents. Therefore, this analysis is based on responses from three hundred (200) which represents 50% rate of return.

Analysis of Data

Questionnaire Response from Respondents

Research Question One: What is the impact of downsizing on employee behaviour in PHED?

Table 3.2.1: When PHED lay off staff members, it leads to employee depression

Responses	Frequency	Percentage
Strongly Agree	140	70%
Agree	40	20%
Disagree	15	7.5%
Strongly Disagree	5	2.5%
Total	200	100

Source: Field Survey, 2024

From the above table 3.2.1 show that 140 respondents representing 70% and 40 respondents representing 20% strongly agree and agree respectively that when PHED lay off staff members, it leads to employee depression. While 15 respondents representing 7.5% and 5 respondents representing 2.5% disagree and strongly disagree respectively that when PHED lay off staff members, it leads to employee depression.

Table 3.2.2: Downsizing staff members in PHED causes employee frustration

Responses	Frequency	Percentage
Strongly Agree	120	60%
Agree	50	25%
Disagree	25	12.5%
Strongly Disagree	5	2.5%
Total	200	100%

Source: Field Survey, 2024

Table 3.2.2 above shows 120 respondents representing 60% and 50 respondents representing 25% strongly agree and agree respectively that downsizing staff members in PHED causes employee frustration. While 25 respondents representing 12.5% and 5 respondents representing 2.5% disagree and strongly disagree respectively that downsizing staff members in PHED causes employee frustration.

Research Question Two: What is the impact of change of job design on employee behaviour in PHED?

Table 3.2.3: Change of job design of staff members in PHED affects employee engagement

Responses	Frequency	Percentage
Strongly Agree	130	65%
Agree	40	20%
Disagree	20	10%
Strongly Disagree	10	5%
Total	200	100

Source: Field Survey, 2024

The table 3.2.3 above revealed that 130 respondents representing 65% and 40 respondents representing 20% strongly agree and agree respectively that change of job design of staff members in PHED affects employee engagement. While 20 respondents representing 10% and 10 respondents representing 5% disagree and strongly disagree respectively that change of job design of staff members in PHED affects employee engagement.

Table 3.2.4: Job rotation decreases employee productivity

Responses	Frequency	Percentage
Strongly Agree	95	47.5%
Agree	75	37.5%
Disagree	20	10%
Strongly Disagree	10	5%
Total	200	100%

Source: Field Survey, 2024

Table 3.2.4 the above table show that 95 respondents representing 45.5% and 75 respondents representing 37.5% strongly agree and agree respectively that job rotation decreases employee productivity. While 20 respondents representing 10% and 10 respondents representing 5% disagree and strongly disagree respectively that job rotation decreases employee productivity.

Research Question Three: What is the impact of digital transformation on employee behaviour in PHED?

Table 3.2.5: Digital transformation in PHED affects employee engagement

Responses	Frequency	Percentage
Strongly Agree	110	55%
Agree	60	30%
Disagree	25	12.5%
Strongly Disagree	5	2.5%
Total	200	100

Source: Field Survey, 2024

The table 3.2.5 above revealed that 110 respondents representing 55% and 60 respondents representing 30% strongly agrees and agree respectively that digital transformation in PHED affects employee engagement. While 25 respondents representing 12.5% and 5 respondents representing 2.5% disagree and strongly disagree respectively that digital transformation in PHED affects employee engagement.

Table 3.2.6: Remote working affects employee engagement in PHED

Responses	Frequency	Percentage
Strongly Agree	128	64%
Agree	52	26%
Disagree	5	2.5%
Strongly Disagree	15	7.5%
Total	200	100

Source: Field Survey, 2024

From the above table 3.2.6 show that 128 respondents representing 64% and 52 respondents representing 26% strongly agree and agree respectively that remote working affects employee engagement in PHED. While 5 respondents representing 2.5% and 15 respondents representing 7.5% disagree and strongly disagree respectively that remote working affects employee engagement in PHED.

3.3 Discussion of Findings

The examined data reveals that layoffs at Port Harcourt Electricity Distribution Company (PHED) lead to employee sorrow, while personnel cutbacks foster employee dissatisfaction. Đorđević, et al [23] contend that devoted and skilled workers are always a significant asset in the human resources portfolio of any firm, as their experience and

devotion may substantially impact overall business success. The downsizing process may undermine professionalism, commitment, and engagement.

Multiple studies have highlighted the issues related to employee attitude throughout the downsizing process [24], [25]. Negative outcomes may emerge as reduced organisational performance, perceived job insecurity, and heightened employee turnover [26], in addition to a decline in skills, knowledge, and opportunities for creativity, accompanied by negative emotions such as anger, frustration, and guilt [27]. Hart, Thomson, and Huning [28] describe challenges such as fatigue, conflict, reduced morale, lower motivation, and hesitance to embrace risk-taking. Comprehensive research suggests that after downsizing, the surviving employees are prone to leave the company [29]. Concurrently, they demonstrate aversion to change, show reduced loyalty, and display inadequate levels of work engagement.

Frone [30] investigated the relationship between exposure to organisational downsizing and alcohol use during the crisis from 2008 to 2011. The results demonstrated a positive correlation between exposure to organisational downsizing and the regularity of alcohol consumption, the volume of beverages consumed during typical drinking events, as well as the incidence of binge drinking and drinking to intoxication [30].

The study ultimately revealed that digital transformation inside PHED affects employee engagement, and remote work similarly affects employee engagement in PHED. Digital technologies, including advanced algorithms, robotics, and analytics, are transforming workforce dynamics inside businesses. The effect of technology on work environments and processes is a crucial aspect of Organisational Behaviour study, since technological advancements may affect both individual worker traits and the organisational structure of entities. The use of technology inside a firm may affect its internal culture and stakeholder engagement.

Conclusion

In the contemporary human landscape marked by technological encroachment, global rivalry, and enhanced efficiency in institutional processes and structures, both public and commercial organisations are experiencing change at an unparalleled pace. As the environment evolves daily, companies are compelled to modify their structures and processes to adapt to these changes. Refusing to acknowledge change will not prevent its occurrence; rather, the difficulty is in effectively managing change by recognising its function as a beneficial catalyst for organisational advancement and individual success. Managers who capitalise on possibilities and adeptly navigate change may use it for their businesses and yield returns from change-driven prospects.

Recommendations

The study recommends the following:

1. PHED human resource managers should implement strategies that will cushion the effects of downsizing on their employees.

2. The use of digital transformation should not endanger the productivity of employees

3. Any alterations in job design should be notified to employees of PHED much earlier

4. It is recommended that managers should study the root causes of employee resistance to change so that appropriate corrective measures and strategies would be developed in managing employee resistance.

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