

Chapter 45

Organizational Trauma and Change Management

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ABSTRACT

This chapter will evaluate the correlation between change management and the employee and/or management behaviors detrimental to the wellbeing of those individuals and the overall productivity and efficiency of an organization. The potential relationship between change and organizational behaviors, the effects of change on the wellbeing of individuals, the well-documented resistance to change would be analyzed as well as potential techniques that managers, consultants and HR departments could implement to minimize the detrimental influence of organizational change on the wellbeing of individuals. The traumatic effects of change on the employee, both physical and psychological effects would be included in this chapter. These effects on the wellbeing of employees have been correlated to diminishing job satisfaction, increased absenteeism and turnover, reduced productivity and effectiveness and overall lower engagement with the organization. The chapter will include the introduction and brief analysis of organizational change and effectiveness models in particular the Burke-Litwin Model.

INTRODUCTION

Change is a permanent characteristic in most industries. As an important factor in the strategic success and survival of many organizations (Cameron & Quinn, 2011; Kotter, & Schlesinger, 2008), it is also a key competence for an organization to properly predict, adapt to and maximize the opportunity of market changes, technology disruptions, technological evaluation, economic and social transformations, and competitive changes, determining the long-term survival and success of an organization. For example, the telecommunications (Telecom) industry has been one of the fastest changing industries over the last two decades (Atluri, Jubas, Patel, & Schneider, 2012; Hwang & Lee, 2000). With the introduction of new technologies, the constant and fast evolution of existing technologies, the merger of the Information Technology (IT), entertainment and Telecom industries, the convergence of mobile telephony, fixed telephony, internet and cable technologies, the global growth and maturation of mobile

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telecommunications, the Internet of Things and the decrease in demand of fixed telephone services, the Telecom industry has undergone global changes that have affected its workforce in immeasurable ways (Atluri, Jubas, Patel, & Scheneider, 2012; Bughin, Chui, & Manyika, 2013; Bughin, Ferruz-Aguilar, Gil-Gómez, & Spittaels, 2013; Hwang & Lee, 2000; Van der Hoeven & Sziraczki, 1998). A recent study supported that this perceived frequency of change within the telecom industry impacted the wellbeing of its employees (Gallego-Toledo, 2015).

Nora, a customer service representative at a call center for Telmex, a large Mexican telecommunications operator, documented some traumatic behaviors witnessed and lived through a period of organizational change (Ramírez-Velazquez, 2006). In her interview with the researcher, she noted an instance when a co-worker poured a full bottle of perfume on another employee's head, commenting how the victim "stunk". Another employee keyed the car of a colleague because the victim "pushed her" during office hours and did not apologize. Nora also reported on the reaction (or inaction) of management and the union representatives when some of these actions were reported, attributing the behaviors to "women issues" or "gossiping". This contributed to an organizational climate of employee frustration, magnifying the workplace stress, chastising the victims and normalizing the behaviors of the perpetrators. But it is not just the employees that suffered from these traumatic behaviors. In other instances, customers became the victims of rude responses, misleading answers, phone hang-ups and/or quick dismissals. The working climate was conducive to aggressive and bullying behaviors towards other co-workers, negatively affecting the wellbeing of employees, negatively influencing the level of customer service, negatively impacting the organizational performance and the change implementation within the TelMex organization.

Changes are stressful events, met in many instances with resistance and often resulting in sabotaging actions (Kotter & Schlesinger, 2008). Disengagement, either passive or active, is another resulting factor negatively impacting the organization's effectiveness and productivity. Passive aggressive behaviors between employees, or toward suppliers and customers, including acts of incivility, cynicism and other socially deviant behaviors could transform the organizational climate during periods of change. Ultimately, those become traumatic events that negatively impact the physical and psychological wellbeing of employees (Andersson, & Pearson, 1999; Cortina, Magley, Williams, & Langhout, 2001; Gallego-Toledo, 2015; Leiter, Laschinger, Day, & Oore, 2011; Maslach, 2003).

Dark Side behaviors are magnified during periods of change, leading to increased absenteeism, higher turnover, negative effects on psychological and physical wellbeing of employees (Cortina, Magley, Williams, & Langhout, 2001; Rafferty, & Griffin, 2006), higher levels of job disengagement (Ace & Parker, 2010), lower rates of job satisfaction and motivation (Burnes, 2009; Burnes & Jackson, 2011), higher rates on manifestation of aggressive behaviors towards others (Andersson, & Pearson, 1999; Griffin, & O'Leary-Kelly, 2004), resulting in lower productivity and efficiency in the organization (Beer & Nohria, 2000; Burke & Litwin, 1992; Kusy & Holloway, 2009; Kotter 1996), and an overall failure to adopt the new changes. Dark side behaviors are those behaviors that are injurious to human welfare, having an indirect and direct cost on the employees and the organization as a whole (Griffin & O'Leary-Kelly, 2004). In other words, change may lead to Dark Side behaviors, inhibiting the change process and thus, creating more change.

This chapter evaluates the relationship between change management, organizational health and the employee and/or management behaviors detrimental to the wellbeing of those individuals and the overall effectiveness of an organization. With this purpose in mind, the chapter will analyze the potential relationship between change and organizational behaviors, the effects of change on the wellbeing of individuals, the well-documented resistance to change, (Bringselius, 2014; Burnes, 2015) as well as

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