INTERNAL FORCES THAT INFLUENCE EMPLOYEES' CHANGE READINESS: A STUDY ON ONE STORE RETAILER IN MALAYSIA

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DECLARATION

We hereby declare that:

(1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.

(2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.

(3) Equal contribution has been made by each group member in completing the research project.

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PREFACE

The retailing industry is expected to grow rapidly today. The demand of different service from consumer in Malaysia is increasing, more and more people are working in retailing industry. The retailing industry is a good opportunity to expand the Malaysian economy.

Employees not only consider reasonable salaries but also the working conditions such as environment, and the managements of the organization to make sure they have job securities. Therefore, in order for the organization to change, many steps and consideration need to be done to make sure chaos are avoided. In order to reduce the resistance to change, the employees have to be ready about the change. Organizational commitment is essential in preparing employees for the change. When the employees are highly committed to the organization, the organization will be able to change successfully. Communication is an important aspect for the organization to avoid problems. Good communication will make the employees understand the need for change and employees shall not fear about their job security. Leadership is also an aspect in influencing the employees' readiness. Good leadership skills are able to influence and convince the employees to accept the changes. Not only that, self efficacy is also very important as the employees' feedback are important to make sure that they are satisfied and feel like a part of the organization. Therefore, a study is conducted to examine the internal forces that influence employee change readiness that based on a retailer store in Malaysia. The purpose of the study is to examine the internal forces in influencing employee change readiness. The research is important to help organisation understand how to prepare the employees for change. On the aspect of employees, they might not be ready for the change. As for the organisation, the research may help them to understand deeper about the forces to prepare the employees for the change. The research will help the organisation to have better understanding on how to prepare the employees readiness for the change.

ABSTRACT

The study is conducted to examine the internal forces that influence employee change readiness that based on a retailer store in Malaysia. It is important to prepare the employees to be ready for the change to successfully implement the change. This study is to focus on how each factors that influence the employees' readiness to change and to explore the determinants of the factors that will lead to their readiness to change. Besides that, the relationship between the variables of employees' readiness, organisational commitment, communication, leadership and self-efficacy will defined the action that should be taken to prevent chaos and to prepare the employees for the change. The result show statistically significant positive relationship for all variables which include organisational commitment, communication, leadership and self-efficacy. Therefore provides empirical data to support theoretical models for this research study.

CHAPTER 1: INTRODUCTION

1.0   Introduction

This chapter gives an overview on how this research was conducted and the way to examine the internal forces that influence employee change readiness that based on a retailer store in Malaysia. In this chapter will clearly explain the research background and problem statement of this research, research objectives and questions as well as the significance of the study and chapter layout.

In the first part of this research will discuss about the knowledge of the background in order to understand the purpose of this research. Besides that, this research also talks about the problems that are facing by retailer stores in Malaysia. After defining the problem statement, this chapter also indicates the research questions and objectives that have been found out in this research in the following section. Moreover, in this chapter will mention regarding the importance of this research where it contributes on the reasons why this research being conducted. Lastly, chapter layout will be discussed as well where it will provide a better understanding about this research and briefly summarizes on each of the following chapters.

The chapters that include when conducting this research are the introduction that briefly stated on the purpose and the obstacles that currently facing when conducting this research, literature review which explain in detail on the internal forces influencing employee change readiness, research methodology where it shows the methods used while conducting this research, data analysis that present the results of this research, and finally is the discussion, conclusion and implication which presents the recommendation and opinion on this research.

1.1 Research Background

Changes have become a very common activity in every industry nowadays. Since 1980s, changes have become a main key of organisational success as the changes of organization have been so common that it has become a pattern in an organization (Dupuy, 2002). Changes is concerning on shifting from one stage to another or by breaking down existing structures inside a particular industry and creates a new one (Chonko 2004). For example, hierarchy on an organization from centralized to decentralized or vice versa and other changes can be due to new technologies, communication, mergers or joint ventures, reengineering and market volatility.

Moreover, each industry will need to go through a period of changes in order to improve its operation or performance. For instance, during economic downturn or inflation occurs, every business need to implement changes in order to adapt to any uncertainty happen.

As a result of increasingly dynamic environments in Malaysia, many organization as well as retailer store implement changes in order to improve its efficiency and effectiveness but still there are several factors that will cause failure during the process of implementing changes which is the readiness to change. According to Amenakis, (1993) readiness change can be defined as the cognitive behaviors of either resistance to change or support for a change effort.

Moreover, readiness is reflected to employees' beliefs, attitudes, and intentions regarding the extent to which changes are important in retailer store and these cause most of the employees tend to react to what is happening around their environments. Besides that, these also cause employees to make assumptions constantly about the change process and as a consequence it makes up an employee's perception of readiness for change, this has been proven by (Amenakis, et al., 1993) stated that change readiness also involves a transformation of individual perceptions across a set of employees.

Besides that, in this research, we had found several internal factors that influence employees change readiness where it includes employees' attitudes towards the implementation of change in a retailer store. Schein (1987, 1988, 1999) has addressed the main reason why it will lead to failure of adapting organisational change is due to the top management of retailer store having problem in handling effectively in the process of unfreezing and the top management did not create a good employee perceptions of change readiness before attempting a change induction. Moreover, other factors that will influence the employee change readiness in a retailer store are organization culture. Organization culture reflects values of an employee's attitudes and their perceptions towards the organization that related to innovative behavior (Hage & Dewar, 1973). Since change readiness is a huge and tough process, top management of the organization did not concern on employees' attitudes as well as perceptions. Therefore, this will cause employees' to become more worry and fear of any uncertainties that will happen during the implementation of changes in a retailer store and this will make possible that resistance to change may occur. In order to solve these problems, top management such as manager and directors are require to make more effort to make sure employees ready when there is any implementation of changes in organization.

Furthermore, regarding to this issue about the internal factors of a retailer store, it is vital to assess individual's readiness perception before any changes attempt. This is because any uncertainty that employee worry and afraid about may cause a barrier to organisational change, which this changes may lead to many problems such as tension, low satisfaction with work life, and sometimes the complete failure of the proposed change implemented in the retailer store (Trice & Beyer, 2001). In conclusion, if an employee of a retailer store is ready towards the change that is going to implement, the process will be much faster and easier.

1.2 Problem Statements

This research is to inspect whether the internal forces are able to overcome employee change readiness in store retailer in Malaysia. The term "readiness" means the physical maturity and neurological development sufficient to negotiate an unfamiliar situation or learn a new task (Dennis, 1972; Gesell, 1928). However, according to several previous researches, readiness is not only physical maturity, but also a combination of emotional and cognitive forces that will affect the new operation (Beller, 1972; Dennis, 1972; Gesell, 1928).

A change has been thought to be an important factor in the development of an organization as well as retail store. The changes implement is important as it is able to improve the operations in the store. Besides, it will also enhance the performance of the store and produce better results while operating the business of the store in the future. The rapidity of change has been rise with the growing challenges for example greater competition in the business world, technology used, communication, general instability, reengineering and many more.

Store retailers have to execute change in order to adapt with the environmental demands and to remain competitive in Malaysia. Furthermore, due to various external forces such as globalization, economic crises, technological innovation and etc, retailers are also force to implement changes in strategy, structure, process and culture so that the retailer will meet higher effectiveness. Other than that, its performance can be improved by implementing appropriate changes to increase the effectiveness and efficiencies of a store retailer.

During the change put into practiced, there are some technical part of changing where one of it is negative emotions that an employee may experience when deal with changes in a store retailer. Negative emotions that most probably faced by employee are for instances, frustration, anger, fear and so forth. As a result, by understanding and managing the emotions of employee during any changes implemented is a key challenge in a store retailer.

Other than those problems mention above, it is also difficult for an employer to know an employee's beliefs, behavior and attitudes towards the change. The reason an employer need to concern on employee's beliefs, behaviors and attitudes is because of every employee has different perceptions towards the changes made. By knowing all these, the employer of the store is able to obtain positive outcomes when implementing any changes in the retail store and it will increase the effectiveness on the changes made.

Problem will also arise when a store retailer want to change its business into electronic form. For most of the store to become an e-business is an evolutionary journey from initial stage to final stage (Earl, 2000; Hackbarth and Kettinger, 2000). The transformation process to electronic business requires employees to adopt new technologies, redesigning business processes, and restructuring management (Craig and Jutla, 2001; Earl, 2000; Hackbarth and Kettinger, 2000). This change may cause employee resist to change where it due to employee readiness to embrace this new system and lead to failure of transformation.

There are several factors that will affect an employee's change readiness in organizations according to some of the researches. These factors may cause an organization's performance such as increase or decrease of sales and profit. Besides that, it also will influence the motivation among employees and this will lead to certain problems. The forces that will affect change readiness of an employee include employee's perception or opinion towards the implementation of change in organization, change of organization's structure, process and so on. Moreover, trusting and respecting each other in organization can also be one of the issues that affect employee's change readiness. There are also a number of employees that do not have a clear view regarding the reason why organization want to change where it shows the objectives and aims of the organization. There are still other forces that may influence employee's change readiness and all these problems can occur in every organization.

Employee's perception or opinion towards the implementation of change in organization is one of the factors that will affect the change readiness of an employee's. According to several researchers, employee's perceptions such as employee's behavior, attitudes and so forth can either assist or weaken the effectiveness of a change intervene in the organization (Armenakis, et al., 1993; Lewin, 1951). Besides that, in line with McDonald and Siegal (1993), Iacovini (1993), and McManus, et al. (1995) said that employee's perceptions towards a change will give an impact on the morale, productivity and turnover of organization (Eby, et al., 2000).

The changes in organization which covers the structures, process and so on made in the organization may also influence an employee's change readiness towards it. An organization need to continually change its' structure, process, culture and so on in order to remain competitiveness in the business world in relation to one of the researchers (Armenakis, et al., 1993). However, these changes may not always benefits employees but only bring advantages to the organization itself. Therefore, this is one of the barriers faced by the organization during the implementation of changes where it will lead to employee not ready towards those changes. The reason an employee is not ready towards those changes is as a result of the employee unable to accept or not use to the new structure, culture and so forth. For example, by changing the system of individual work basis into team basis will cause problems to occur where it is because of the behavior of each employee where it will lead to conflict between employees.

Besides that, the retailer also implemented some new strategy which is teamwork basis whereby, employee must work together. According to Sundstrom, et al. (1990), the reason an organization implement team work basis is to better meet customer needs, to increase innovation, and so on (Eby, et Al., 2000). During teamwork, employees must trust each other in their way of establish a particular task and respect on every suggestions made by them in order to perform the job well together. This is the source that will influence an employee's change readiness since they do not know the way of the particular employee perform its'

work. Therefore, this has affected the trust of an employee towards them. Besides that, respecting each other is also vital where a good piece of work will not be accomplished without this factor.

Apart from all the above, it is also essential for an employee to acknowledge a clear view on the reason why organization wish to implement changes. This should be known by employee on the aim and objective where the organization desire to achieve and which level they want to move. This factor will influence employee's change readiness is because of the aim of the organization do not show a clear picture about the benefits that an employee will obtain from the particular change. Without having a good view on this matter, the effort of the change may fail or become more confusing and it will end up lead to a wrong direction (Kotter, 1995). As consequences, employees' understanding and comprehension toward company's point of view as well as the change that want to be implemented. According to one of the researchers, employees need to have similar aim towards the change implemented to prevent failure (Strebel, 1996)

In conclusion, by making changes, it is able to improve the overall performance of organization but unfortunately, change also creates feelings of tension among employees (Bernerth, 2004). Thus, it is significant whether employees willing to accept with the change that the organization would like to put into practice. Employees will accept willingly to changes that will bring benefits to them but however, employees do not realize the benefits if the change implemented.

1.3 Research Questions

1.3.1 General Objectives

This test was conducted to determine the factor of internal forces that influence the employee change readiness.

1.3.2 Specific Objectives

1.   To determine the relationship between organization commitment and employee readiness to change.
2.   To determine the relationship between communication and employee readiness to change.
3.   To determine the relationship between leadership and employee readiness to change.
4.   To determine the relationship between self-efficacy and employee readiness to change.

1.4 Research Questions

1. Which internal forces give more impact on employee change readiness?
2. How is the impact of all internal forces towards employees change readiness?
3. How does the organization commitment influence employee change readiness?
4. How does the communication influence employee change readiness?
5. How does the leadership influence employee change readiness?
6. How does the self-efficacy influence employee change readiness?

1.5 Hypothesis of Study

Hypothesis 1:

H_0: There is no significant relationship between organisational commitment and employee change readiness.

H_1: There is a significant relationship between organisational commitment and employee change readiness.

Hypothesis 2:

H_0: There is no significant relationship between communication and employee change readiness.

H_1: There is a significant relationship between communication and employee change readiness.

Hypothesis 3:

H_0: There is no significant relationship between leadership and employee change readiness.

H_1: There is a significant relationship between leadership and employee change readiness.

Hypothesis 4:

H_0: There is no significant relationship between self-efficacy and employee change readiness.

H_1: There is a significant relationship between self-efficacy and employee change readiness.

1.6 Significance of the study

The purpose of this research is to determine the internal forces that influence employee change readiness. This proposed study is able to enhance our understanding and insight opinion that based on a store retailer in Malaysia. Moreover, the contribution of this research can also be served as references to individuals such as manager, employee and also other researchers.

The manager

The information provided in this study can serve as references for numerous individuals on how to determine the employee readiness to change within a store

retailer in Malaysia. Those information contain in this study provides knowledge to top management so that they are able to handle when encounter with the problem of employee's change readiness in store retailer. Most of the managers aware that the results of introducing a new techniques or method into the culture of a retailer store will often lead to dissatisfaction and tribulation of employees who do not accept with the new operation implemented.

Employees' readiness to the desired change is often excessive and immediate (McNabb & Sepic, 1995). McNabb and Sepic (1995) also claimed that the main goal of a company is to introduce their preferred changes and at the same time keeping anxiety, resistance, and stress to the minimum.

This research is also able to help manager to gain more knowledge as different inquiry strategies elicit identity in various ways, where making it visible in alternate emotional states as employees ready for change. According to Amis & Slack, (2002) findings, it shows the way frame and focus interact with each other to promote distinct change readiness modes, which can be used to help managers understand on how to effectively start an intervention.

The employee

In this research, it helps in exploring the factors that influence employees' readiness for change on several factors such as communication, self-efficacy and others. The result of this research indicates that aggressively positive readiness for change is positively correlated to the commitment of retailer store, self-efficacy, communication, and expansion. Thus, these help employees to have a better understanding on the importance of a positive, agreeable and aggressive attitude while facing with any changes that going to be implemented in retailer store.

On the other hand, the information in this research can help employee reduce passive attitude toward changes. Besides that, employee work attitude would also be conservative and passive, and the opportunities to acquire new learning would

not be limited. This research may also acknowledge and give employees the opportunity to improve their communication skill and learn on the expansion of business.

The researcher and others

This research will also be beneficial to the students and researchers in future regarding employee readiness to change. This can help them to have a clearer picture about the factors and relation of the employee readiness to change. Moreover, this research will provide recommendations on how to increase the employee readiness to change.

Nevertheless, this research will be helpful to the retail industry and business practitioners in handling employee readiness to change and enlighten them on successful way to implement change strategies. It will also serve as a vital reference for future researchers on this subject on the internal forces that will influence employee change readiness.

1.7 Chapter Layout

This research is organized and divided into 5 chapters. Which are:-

Chapter 1: Introduction

Chapter 1 provides a clearer picture regarding this research; readers may get to understand the problem faces by the store retailer in Malaysia by the presentation of research background, as well as the problem statement that we found when conducting this research. Furthermore, in this chapter we also emphasize on research objectives and research questions in order to identify the purpose of this study. Hypothesis also being include in this chapter where it shows the relationship between the dependent variable and independent variables. Moreover,

significance of this research also will be highlighted in this chapter as well. Finally, this chapter will be ended by briefly explains of the chapter layout and conclusion of this chapter, and followed by chapter 2 that is literature review.

Chapter 2: Literature Review

In this chapter, literature reviews consists of theoretical or conceptual foundation, review of the prior empirical studies, research model, and hypothesis. All the information that we use in chapter 2 is from secondary sources such as journals in order to give us more understanding about this subject and also to support our interpretation to make this research more reliable. Moreover, chapter 2 also emphasize on review of literature by explaining the dependent variable and independent variables of our research in order to provide a good literature survey and a basis foundation to develop the proposed theoretical or conceptual framework as well as the hypotheses. Lastly, this chapter concludes with a conclusion and provides a linkage to the next chapter which is chapter 3, research methodologies and its technique.

Chapter 3: Methodology

In chapter 3, it explains about the research methodology which includes data analysis technique and variable management. Moreover, it also focuses on the method this research being carried out in terms of research design, data collection methods, sampling design, measurement scales and methods of data analysis. The importance part of chapter 3 is that it emphasis in deciding whether the internal forces can directly affect the employee change readiness. Chapter 3 ends with a conclusion by providing a summary of major themes addressed in this chapter. In the following chapter, chapter 4 is on the data analysis of our research.

Chapter 4: Data Analysis

Chapter 4 is mainly about the data analysis which shows the results of our research. This chapter will indicate on the outline and studies of the results which are related to the research questions and hypotheses developed. We use Statistical Package for Social Science (SPSS) to run our data and it can verify our hypothesis made and answer our research questions in the chapter previously. In addition, we also conduct several tests in this chapter to prove on the relationship of dependent variable and independent variables. Next, it will be linking to the last chapter, chapter 5 which it is on the discussions and conclusion.

Chapter 5: Discussions, Conclusion and Implication

Lastly, what we are going to discuss in chapter 5 covers our findings, implications, recommendations, limitations and conclusions of this research. In this chapter, we will provide the explanation of the restrictions in this research and based on the restrictions or limitations we will give recommendations for future research purpose and overall conclusion of this research. Besides that, in this chapter we also will explain further and more detail on the results of data analysis.

1.8 Conclusions

In the nutshell, the introduction of this research area had been discussed where it include the background of our research, problem statement, research question and objective, lastly significant of the study and outline of the study. This chapter also demonstrates questions and objectives on the internal forces that influence employees' change readiness in store retailer. Next, we will continue on the literature review of our research.

CHAPTER 2: LITERATURE REVIEW

2.0   Introduction

The previous chapter, have been discussed on the problem statement and the objectives of our research. Thus, we are going to draw guidelines for this research on the problem statement and show the ways we obtain the research objectives in this chapter. This chapter is about literature review where it is published information that it has already been used by other individuals and it is consider as secondary sources. Literature review can be defined as a process of gathering information from various sources such as journals, newspapers, articles, and so forth and documenting it. It is also a critical and profoundly evaluation of previous research done by previous researchers. Besides that, in this chapter, we are also going to provide relevant literature and information on the internal forces that will influence employees' change readiness on a retailer store in Malaysia. The information obtained is from secondary data by other researchers or individuals. This chapter has consists five sections. The first section focuses on the definition of all variables and the internal forces that influence employee change readiness. Next section is discussing and evaluating on the internal forces that influence employee change readiness and from proposed articles, we develop the proposed theoretical framework of this research. The following section is the development of hypothesis and this would help us in conducting our questionnaires in the following chapter. Finally, we will conclude chapter 2 with a conclusion.

2.1 Review of the Literature

2.1.1 Dependent Variable – Change Readiness

In this research, in order for us to understand the concept of change readiness, it's important for us to know what is the definition of the term "change" as well as the term "readiness" and what does it means. According to one of the researchers, Ian Smith (2005), "Change" is a process of moving to new and different stats of the organization. Thus, changes will take place when the organization experiences the urgency and necessity to change or the need to move to new and different stats of the organizations in order to improve the performance of organization. While the term "Readiness" consists of the beliefs and attitudes towards an initiative (Armenakis & Harris, 2002); open, prepared, and ready for change (Eby, Adams, Russell, & Gaby, 2000), which mean the degree of readiness in an organization will affect the beliefs and attitude toward an initiative. "Readiness of change" is defined as a state of unfreezing; and a collection of thoughts toward a change initiative (Bernerth, 2004; Lewin, 1947). There are several past researchers that have explained that the readiness of change is the attitude and behavior that have been formed by a collection of thoughts or degree of understanding toward a change initiative. For example, attitude and behavior such as resist or accept the change that are going to be implemented in an organization will occur when employees experience change in a organization based on their belief or understanding toward the propose change.

In the early of organisational development, a number of researchers have acknowledged about the importance of readiness for change in an organization as well as retailer stores. The readiness for change of employees is one of the key elements on studying employee's resistance to change such as whether the employee agrees towards the changes that an

organization plan to implement. Therefore, it is a significant element where employees that are not ready to change to new operation may resist in changing and also may cause some problems in an organization. One of the uses of the readiness concept may be attributed to Jacobson (Bernerth, 2004). Jacobson has suggested Coch and French's (1948) to study on the overemphasized resistance to change and proposed the construct of readiness to change (Bernerth, 2004). This situation can be show in an example such as, if employees' readiness for change is high, it means that employees have a higher understanding toward the change and they will probably form a positive behavior or attitude toward the change process in this condition, this will help an organization to implement the change more successfully. Thus, those previous researchers have found that by improving in employees' readiness to change will aids the changing process in organization and it will eventually reduce employees' resistance to change. Readiness is an important step in the changing process where it can avoid resistance happen in organization according to Bernerth (2004). Bernerth (2004) has stated that readiness towards changes allows organisational leaders to create positive energy through communication with employees on the change initiative. Furthermore, there are several past studies including the Individual difference theory and the Armenakis and Harris five message component model (2002) have provide insight into readiness of change and focus on the change message (Madsen, S. R., Miller, D., & John, C. R. (2005). As mention by one of the researchers, differences in personality of employees, employees' working experiences and different organisational culture will cause employees to respond differently towards the same change message as explain in Individual difference theory (Madsen et al. 2005). Different theories by different researchers have brought up that individuals will respond to the change message in a different way due to different reasons and different perceptions.

It is important to identify the factors or forces that will affect employee's readiness towards the change in an organization. These factors can allow the leaders or top management of organization to improve the employees' readiness to change by taking appropriate steps and this may lead to decreasing of resistance among employees in organization.

2.1.2 Independent Variable – Organisational Commitment

There are relationships between organisational commitment and attitudes as well as behaviors in the workplace (Porter et al., 1974, 1976; Koch and Steers, 1978; Angle and Perry, 1981). Besides that, Batemen and Strasser (1984) have stated that there are several reasons for studying organisational commitment where it is related to "(a) employee behaviors and performance effectiveness in organization, (b) attitudinal, affective and cognitive constructs such as job satisfaction, (c) characteristics of an employee's job and role in organization which include characteristics such as responsibility when performing tasks given and (d) personal traits of an employee such as its' age, job tenure and so on".

Organisational commitment has been defined in many different ways. Based on past researchers, Bateman and Strasser (1984), organisational commitment has been defined as multidimensional in nature, involving an employee's loyalty towards an organization which means that how long the employee will stay in that particular organization, employee's willingness to exert effort on behalf of the organization, its degree of goal and value congruency with the organization, and desire to maintain membership in the organization. On the hand, organisational commitment has been identified by several researchers such as Porter, Steers, Mowday and Boulian (1974) as the strength of an individual's identification with its involvement in a particular organization.

Besides that, Meyer and Allen (1991) explained that organisational commitment is being view that the term commitment is a psychological state that (a) characterizes the relationship of the employee's with the organization, and (b) it has implications regarding the decision that need to be considered in order to continue its membership in the organization. The definition of Meyer and Allen (1991) is widely used by other researchers when conducting their research. Other than that, three component models of commitment have also being proposed by Meyer and Allen (1991) where the component models of commitment consist of affective commitment, continuance commitment and normative commitment.

As stated by some of the researchers, affective commitment has been defines as an employee's emotional attachment to identification with and involvement in the organization (Mowday *et al.*, 1982; Meyer and Allen, 1997). Porter et al (1974) has describes affective commitment by three factors which includes of (i) "belief in and acceptance of the organization's goals as well as its values, (ii) employees willingness in focusing on the efforts in order to help the organization achieve its goals, and (iii) an employee's desire to maintain organisational membership". For instance, when an employee has a strong affective commitment, the employee will stay in the organization and this will cause the employee to accept the changes implemented by the organization easily. Thus, it is important for employees to have a strong affective commitment where this may indirectly affect the organization performance by reducing the employees' turnover in the organization.

Another component model of commitment is continuance commitment where according to researchers, it is being identified as one's awareness of the costs associated with leaving the present organization (Meyer and Allen, 1991). As an example of scenario that can give a better understanding on this component model, continuance commitment is an employee has nontransferable investment and therefore this is the reason

where the employee is willing to remain in an organization. In fact, nontransferable investments include things such as retirement, relationships with other employees, or things that are special to the organization (Reichers, 1985). In consistent to researchers, for those employees whose commitment is in the nature of continuance will remain in the organization (Meyer and Allen, 1991).

The last component model of commitment is normative commitment. As defined by past researchers, it is a feeling of obligations toward the organisation based on one's personal norms and values (Meyer and Allen, 1991). Based on Bolon (1993), normative commitment has been defined as the commitment where based on an employee's norms and values, the employee believes that it has the feeling of obligations in its workplace towards the organization. Whereas, Weiner (1982) stated that normative commitment is a generalized value of loyalty and duty that should have by an employee. Besides that, it can be explain by other commitments such as marriage, family, religion, and others. According to Meyer and Allen (1991), employees whose commitment to the organization is said to be normative type and the reason they remain in the organization simply because they believe they ought to.

Based on the information above, organisational commitment is one of the internal forces that will influence an employee change readiness in a retailer store.

2.1.3 Independent Variable - Communication

According to Floyd & Wasner, (1994) and Roloff, (1981, 1987), the researcher suggested that employees are always eager to bargain whereby resources can be exchange to get rewards and this will lead to decreasing of cost when they are in the workplace. The resources that can be

exchange are such as job title, benefits and their working environment (Berg & Wiebe, 1993). Other than that, the openness of communication and the success of the organization are related to each other as suggested by Roger (1987). Furthermore, Roger also states that when there is open communication in organization, the crisis that occurs will vanish or reduce and therefore this will successfully achieve those goals that contain in the organization. (Wilson & Malik, 1995). Besides that, in relation to researchers, positive impact will be shown by those managers or leaders who have been open communicators with their subordinate relationship and thus this will cause boosting motivation in organization (Kay & Christophel, 1995). According to Fox, (2001) it explain that communication with those low level employees by top management is very important for the organization when going through any changes implemented and with the purpose of increasing employees readiness towards any changes.

There consist of three factors which will affect the perception of communication and it had been identified by researchers where the factors are accuracy of information, explanation for decisions, and openness (Mellinger, 1956; Muchinsky, 1977; O'Reilly, 1977). According to some of the past researchers, the three factors are related to the essential elements to build trust between top management and employees in organization and managers that use these communication skills are said to likely be trusted (Folger & Konovsky, 1989). Besides that, in relation to various studies, managers who take time explaining their decision are said to be trustworthy as they are trying to exchange opinion with employees freely. (Butler, 1991; Farris, Senner, & Butterfield, 1973).

Communication is considered as a very important aspect in overcoming the resistance to change of an employee (Fox, 2001). Moreover, this may lead to increasing of employee's readiness in organization and also improve organization performance. It is also believed that communication

and readiness are much related to the organization changed of vision. There are a number of studies showing the ways on how those employees react to the change that is going to implement in the organization as they are comfortable with their current environment. Previous studies also show that communication is an important key to influence employee's readiness to change (Bovey & Hede, 2001).

The present research has shows the relationship between communication and employees readiness towards change. Communication has been proves in the research done by Roberts and O'Reilly (1974) that it is the most vital factors in overcoming employee's change readiness in any organization. Furthermore, there are also studies prove that communication must be duet with other supportive supervisor in order to be successful during any changes. However, there are still some researches that show about communication is not the best way in combating with employee's change readiness where it may fail in some of the time.

In conclusion, with the above information relating to communication, we are able to conclude that communication is a crucial aspect in influencing employee's change readiness. This component can help in increasing employee's readiness to change in an organization and it will also improve the performance of organization as well. Therefore this factor should be taken into account when conducting the research.

2.1.4 Independent Variable - Leadership

Leadership is also one of the internal forces that will influence employee's change readiness in a retailer store. Fields (2007) has indicates that "authentic leaders whose actions are in consistent with their own beliefs, to certain extent they are likely to have more influence on followers. This is because followers interpret authenticity as evidence of reliability of the

leader". In addition, a model has been developed by Fields (2007) where it is focuses more on how do followers judge a leader's authenticity as well as its integrity. There are various techniques in judging it such as: (i) number of followers observe on a leader's actions and the interactions to determine a leader's motives, (ii) several followers observing on the same actions of a leader and gather similar information about motives, (iii) stability of the leader's behavior and motives across instances, (iv) similarity in followers' interpretations regarding the leader's actions and also the underlying motives, (v) extraneous information about leader available to the followers and, (vi) communication among followers concerning on three factors which are the leader, the situation, and leader motives.

On the other hand, there is another researcher which is Yuki (2006), has classified the leader's behavior into three types which it is relations-oriented where they are appropriate for consideration in employee's readiness of change and the types include: (a) supporting, (b) developing, and (c) recognizing. According to the same researcher, Yuki (2006), it has determined that an effective leader will support his followers and also will develop his followers in order to increase and improve their skill and ability to succeed. Besides that, the effective leader may motivate those employees by recognizing those who put more effort in their job or tasks provided and by giving them reward such as bonuses, incentives and so forth when they successfully complete all their job and tasks on time. This will lead to better performance in organization where employees will more willing to stay or retain in organization and as well have higher willingness in performing their job or tasks.

Apart from that, Hersey *et al.* (1996) states that the leader is require in providing direction to employees at the lower levels of readiness, while on the contrary, with higher levels of readiness, followers will become more responsible in performing a particular task. For those employees who have

a lower level of readiness in facing the change in organization need helps from the leader in obtaining some guidelines or lead them towards executing the task given. In contrast, those employees who have higher level of readiness to change are able to complete their task by themselves without leader's direction. Therefore, this has conclude that employees who have a higher degree of readiness are more independent compared to employees with lower level of readiness.

In order to build employee trust towards leader, the leader itself should make an effort in gaining trustworthiness among employees. This can enhance the cooperation between employees and leader in an organization during the process of carrying out a task for the purpose of achieving organization's goal. After establishing a trust relationship between the leader and employees, the leader may easily proceed by taking suitable steps in leading employees through the change process. Reid (2009) has indicates that the most popular of a change processes for transforming organization is the Kotter's 8 steps model where it is introduced in the year of 1990s or early 2000s.

As mention by the researcher Kotter (1996), by setting up the organization for any changes are basically start with (a) establishing a sense of urgency which it shows on how important is a change to an organization. Organisational change is a general process in an organization where it is unavoidable and by implementing changes in organization will able to improve and increase its performance. Followed by the step where (b) a powerful coalition of individuals that embrace the need of change is required to be established by the leader. Next, the leader must (c) create a vision and (d) communicate effectively the particular vision that has been created to the organization. Once these procedures are done, the following step is to (e) empower employees to act on the vision created, where this step includes removing of those obstacles that they face during the process and by changing system or structures that will undermine the change

process in organization. It is vital to (f) plan for and creates short-term wins and publicizing the success. Subsequently, they may build upon success by (g) consolidating improvements during the process of changing and producing more changes in organization and, finally, (h) institutionalize the new approaches (Kotter, 1996).

As a result, based on the overall information stated above, we can say that leadership is one of the forces that will influence an employee's change readiness.

2.1.5 Independent Variable - Self-efficacy

According to Bandura, (1986), self-efficacy refers to the attitudes and behaviors of employee regarding to their confidence towards their ability to cope with any changes implemented in organization effectively, but this situation may also take place in a vice versa way. In consistent with Schwarzer, (1992), self-efficacy has stated that, this condition occurs where self-efficacy is a belief that directly influences the objectives and strength of goal commitment, and as well as the level of motivation among employees in a particular organization or retailer store. Self-efficacy has been believe to be an important matter to consider or concern when implementing any changes in a business where changes implemented in a business may affect the employees' feelings and this will therefore influence the degree of motivation among employees in organization. This happens is because as mentioned in certain studies, the more self-efficacious an employee feels, the more appropriate they will perceive the change to be, and this will cause employees to be more affectively committed towards the change implemented. Consecutively, this will influence the changes of individual's behaviors as a result of the implementation of change in organization.

There are a number of factors that can degrade this self-efficacy-performance relationship. This situation can be shown in the example of complex tasks where it will give a clearer picture and better understanding (Campbell, 1988; Wood, 1986) where it stated that such tasks require the subject to estimate numerous skills and motivational restrictions. For instance, there are some issues that will cause insecurity in self-efficacy where one of the issues is any change programs that retailer adapting in the organization such as technology transfer. Transfer of technology is the process of transferring skill, knowledge, technologies, and so on where it is used to develop new products, processes and so forth. Even though by implementing technology transfer may improve performance of the organization but different employees have different trust and belief towards the change and this will cause insecurity in self-efficacy to occur. Besides that, employee's readiness to change may also be affected in this situation as a result that different employee has different attitudes and perspective towards the new programs. According to one of the researchers, Simpson, (2002), has presents a process model of program change that describes the outline of new technologies and knowledge into a change program. This process includes many exposure to a new technology, adoption of the new technology, implementation or exploratory use, and practice or routine use of the new technology use in the retailer store. Every process that includes in change program can cause circumstances such as stress among employees. For example, organizations and other store may put extra attention on the implementation of changes and keeping up with the latest technologies in its organization or retailer store where they have ignore their core mission in its business. It may not help in organization's operation and performance but it may help in counterproductive by the implementation of trends or technologies that are not relevant or consistent with the culture of the organization or retailer store. Subsequently, this will cause employee in a low self-efficacy stage.

As stated by Bernerth (2004), it proposed that during stressful times will present a negative cyclical relationship. There are examples of stressful times that will result in a negative cyclical relationship, such as during the process on implementation of changes, and low self-efficacy as according to the researcher. This happen is due to how individuals judge themselves where they usually judge themselves to be incapable in coping with environmental demands. Besides that, this will also tend to dwell on personal deficiencies and magnify the severity and difficulty of the task. Thus, as stated in this condition, this will cause by making it more difficult to change their behaviors towards the changes implemented in retailer store.

Self-efficacy is one of the factors that serve as guides and motivators since they are rooted in the core belief that one has the power in producing desired effects on the particular situation or else the other one has a low level of encouragement to act or persevere to perform when facing with any difficulties. As according to one of the researchers, self-efficacy beliefs that it has the ability in controlling human functioning through cognitive, motivational, affective, and decisional processes (Bandura, 1997). Self-efficacy will affect an individual's thinking whether they think in self-enhancing or self-debilitating ways, which are whether they are thinking in the sense of improving themselves or think in the opposite way which is weaken themselves. These include how well they motivate themselves and persevere when come across with any difficulties during changes, the quality of their emotional well-being and their vulnerability towards stress and depression when encounter any changes, and the choices they make at important decision points.

Furthermore, self-efficacy beliefs also may affect an individual's self-motivation through their impact on goals and aspirations. In consistent with some of the past studies, stated that it is partly on the basis of efficacy beliefs that an individual choose on what goal challenges they desire to

accept, how much effort that they need to invest in performing the challenges, and the time that is required by an employee to persevere in the face of difficulties (Bandura, 1997; Locke & Latham, 1990). When facing with obstacles, setbacks, and failures during the process of carrying out challenges accepted, those who doubt in their capabilities which are those that do not trust in their own abilities may cause their efforts to be loosen, give up in doing the task, or settle for average solutions towards problem. Adversely, those that redouble their effort to master the particular challenges are those who have a strong belief in their capabilities and this may be one of the reasons that they are more willingly in performing the challenges they accepted.

In conclusion, perceived efficacy is actually playing an influential role in the encouragement and discouragement potential of outcome expectations. The outcomes people anticipate is depending largely on an individual's beliefs on how well they can perform in the given situations or challenges. Those employees with high efficacy which are those employees that strongly belief in their abilities are expecting to gain favorable outcomes through good performance, whereas it will end up leading to negative outcomes when those employees do not belief in their own capabilities in performing a particular task and expect poor performances of themselves.

2.2 Review of Relevant Theoretical Models

Figure 2.1 A conceptual framework of internal forces and external forces that influence employee change readiness.

Culture, Capabilities and Readiness for Change

Flexibility

Human relations	**Open systems**
Ends	Ends
* cohesion and morale	* innovation and development
Means	Means
* training and development	* adaptability and readiness
* open communication	* visionary communication
* participative decision-making	* adaptable decision-making

Internal ——————————————————————— **External**

Internal process	**Rational goal**
Ends	Ends
* stability and control	* efficiency and productivity
Means	Means
* information management	* goal-setting and planning
* precise communication	* instructional communication
* data-based decision-making	* centralized decision-making

Control

Source: Journal of "The Impact of Organizational Culture and Reshaping Capabilities on Change Implementation Success: The Mediating Role of Readiness for Change".

Renae A. Jones et al (2005) suggested that an organization is able to increase the employees' readiness to change by reshaping the capabilities of the organization. The proposed model includes both internal and external processes and it is divided into two systems which are flexible and control system. The flexible systems are human relations and open systems and the control systems includes internal process and rational goal. Human relations are basically used several ways such as training and development, open communication and participative decision making to increase the cohesion and morale of employees. While for open systems involve looking through the employees' adaptability and readiness where it builds innovation and development by using visionary communication and adaptable decision making. Internal process includes the use of information management, precise communication and data-based decision making for the objective of making sure the stability and as well to control the organization. On the other hand, in order to make sure the organization's efficiency and productivity, regional goals use goal setting and planning, instructional communication and centralized decision making. Researchers believe that the employees' readiness to change will increase if they are able to reshape the organization capabilities by using this model stated above.

Figure 2.2 A conceptual framework of communication and employee change readiness.
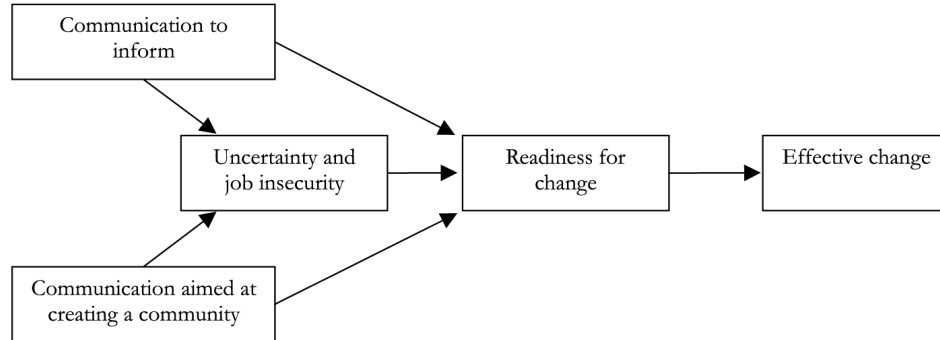
Source: Journal of "The role of communication in organizational change."

Wim J.L. Elving proposed that communication is consider as a main factor in influencing the employees' readiness to change and this factor will result in a more effective change. Communications will influence the overall change in two parts. Firstly, communication is needed to inform the employees regarding any changes that will be implemented in the organization. This allows employees to have a better and more knowledge about the occurrence of uncertainty and job insecurity that may cause by the change. Communication is also used to create a community to let all employees' perception align to the change. Employees' readiness to organisational change is influenced by both communications to inform and communication aimed at creating a community. Readiness is also influence by the uncertainty and job insecurity thus this will result in affecting the overall change effectiveness.

Figure 2.3 A conceptual framework of leadership and employee change readiness.
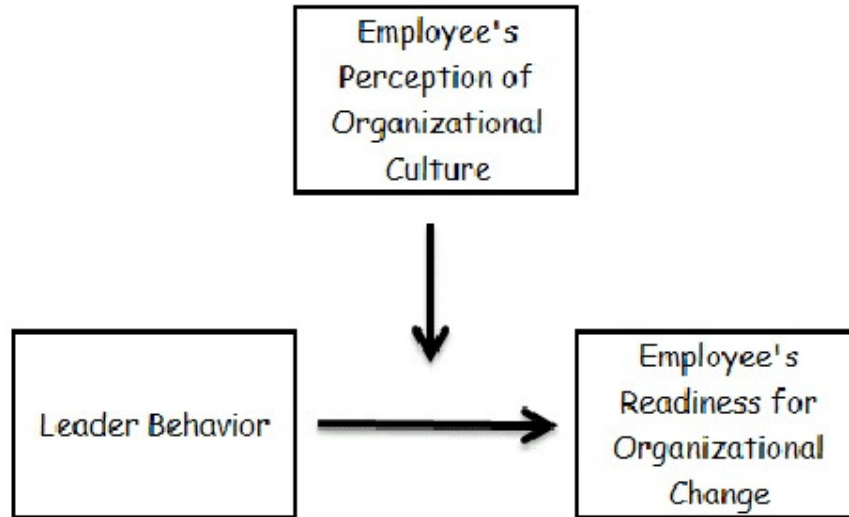
Source: Journal of "Leader Behavior and Employee Readiness for Organizational Change."

Wilbur A. Reid n.d has explained that employees' readiness for organization change will directly influence by leader's behavior. In preparing an employee towards change implemented in organization, leader's behavior plays a very important role in this condition. It can be said that leader's behavior will influence the employees' readiness in several ways. Firstly, it is to predict the leader's motives where this is based on the number of actions and interaction of leader. Next employees will observe the same action done by the leader and from there they will gather some related information about the motive of the particular leader. Moreover, employee's readiness will also rely on the leader's stability of behavior. Employees often seek for similarity in the leader's interpretation of action and motives. Lastly is the communication by the leaders among employees. This proposed model has proved that the employees' readiness to change will directly influence by leader's behavior as they often follow

the step of the leader as their role model. Besides that, employee's perception towards the organization culture will also indirectly affect their readiness of change.

Figure 2.4: A conceptual framework of self-efficacy and employee change readiness

Source: Journal of "the Effects of Self-Efficacy on Behavior in Escalation Situations"

According to self-efficacy theory, researcher has stated that it is peoples' judgments towards self-efficacy where partly, it determines what activities to undertake during the process of changing, how many resources are going to use in the effort of activities, and how long to continue when facing with obstacles or difficulties when undertaking those activities (Bandura, 1982, 1986, 1997). Although the hypotheses of this research under investigation are specific to escalation situations, however this study is grounded in these basic principles of self-efficacy. The basic principles of self-efficacy had been explained through a statement that indicate whether low self-efficacy perceptions induce withdrawal from a failing venture or in the opposite way. In other words, this can be explained that whether escalation more likely to occur among those who strongly believe in their capacities to perform well in any circumstances where it will be more encourage for employees to change. Adversely, for those employees who did not believe in their abilities in performing a task may not be

willing to change due to lack of courage and worry of uncertainty may occur.

In conclusion, the purpose of this research is to determine regarding the relationship between self-efficacy and employee readiness to change, where how the level of self-efficacy affect towards employee change readiness. If an employee is not ready to change, this will result in withdrawal of an employee from the organization.

2.3   Proposed theoretical/conceptual framework

The conceptual framework is graphically shown in Figure 2.5:-

Figure 2.5 A conceptual model of internal forces that influence employee change readiness.

Organisational Commitment	
Communication	Employee Change Readiness
Leadership	
Self-efficacy	

Independent Variable   Dependent Variable
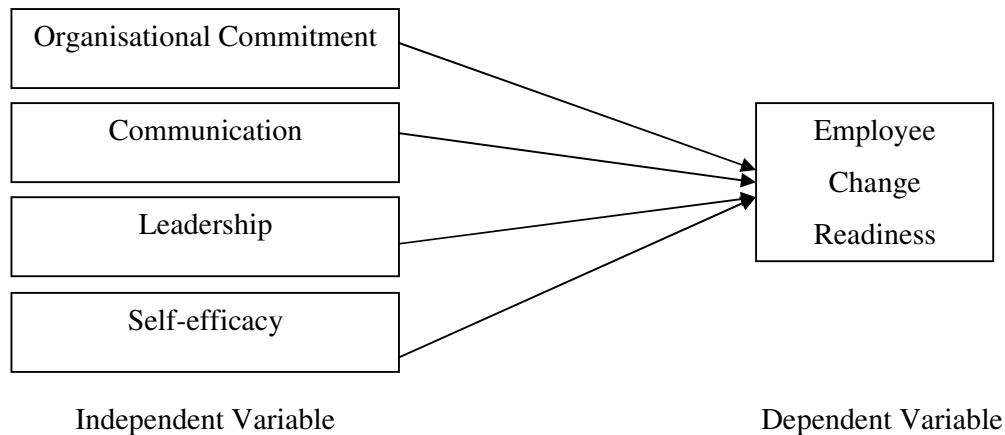
According to current research, it has shown that most of the organizations are researching about the forces that will influence the employee's change readiness in their organisational change. Organizations concern on this matter is because that they would like to implement their change successfully in the organization. In additions, employee's readiness to change will affect the organisational change process directly. For instance, such situation may occur which it has been proven

that for those employees who have lower change readiness, this give the meaning that they are not ready and prepared towards the change. Therefore, if employees are not ready to change they will probably to be helpless to the change and end up this will make them form a behavior that resist the change. Moreover, Armenakis and Harris (1993) have described readiness for organisational change as the beliefs, attitudes, and intentions regarding the extent to which changes are needed and the organization's capacity to successfully undertake those changes (p. 681). Thus, the role of examining factor that influence employee's readiness to change is remains as an important research priority.

In the current research, there are quite a number of determinants affecting employees' readiness to change in an organization. One of the most common variables affecting employees' readiness to change is their organization commitment. Based on Bateman and Strasser (1984), organisational commitment defined as multidimensional in nature, involving an employee's loyalty towards an organization, employee's willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership. The higher the level of organisational commitment felt by the employee, the higher readiness the employee's have toward the change as their willingness to exert effort on behalf of the organization are high as well. Hence, employee's commitment was being selected as one of the independent variable that will affect or influence the dependent variable of this study which is employee's readiness to change.

Furthermore, in this research, there are also numerous determinants that affect employees' readiness to change in an organization. Communication is one of the variables that will influence employees' turnover intention. This happens because employees that have more and detail communication with the organization will understand further about the organisational change. When an employee understands about the change and the purpose of why changing is needed in the organization, this will create a sense of urgency for change. Roger, 1987 also suggested that the openness of communication is related to the success of the

organization. Hence, communication is being chosen as one of the independent variable in our research. This has also proved that there is a significant relationship between communication and employee's readiness to change.

In relation with one of the researcher, Fields (2007) has indicated that "authentic leaders whose actions are consistent with their own beliefs are likely to have more influence on followers in part because followers interpret authenticity as evidence of reliability of the leader" (p. 195). A good leader will have more power to influence and control over employee's performance on certain behavior or attitude. As a consequence, leadership is consider as one of the forces as it has been prove that leadership has a significant relationship with the dependent variable of this research which is employee's change readiness.

Not only that, self-efficacy is also an important aspect in influencing the change readiness of employees. Bandura, (1982, 1986, 1997) proposed that self-efficacy is directly related to employees change readiness as when the employees know what they should do to help the organization, they will be able to prepare themselves for the organizational change that they will be facing.

2.4   Hypotheses Development

2.4.1 Relationship between organisational commitment and employee change readiness.

Organisational commitment is one of the internal forces that influence employee change readiness ("Employee Readiness," n.d). The employee's respond towards the organisational change will results in two ways where it may be either active or passive but it can be critical and serious for the management ("Employee Readiness", n.d). According to some of the researchers, Madsen, S.R., Miller, D., & John C.R., (2005), they state that

there is a positive relationship between employees' commitment with the organization and change readiness.

Hallgrimsson, T. (2008) stated that the employee who report low level of organisational commitment will result in higher level of change readiness compared to those employees that report high level of organisational commitment where the outcome will be in the opposite direction that they will have lower level of change readiness in organization. This circumstance occurs is because of those employees who have high commitment with the organization is more difficult to accept the changes in organization than those employees who have lower level of commitment with the organization.

In a nutshell, organisational commitment has been proved that it plays an important role in employee's acceptance of change and it as well being claimed by several authors on this particular issue. (Darwish, 2000; Cordery *et al.*, 1993). In this research, we are able to conclude that organisational commitment is one of the internal forces that influence employee's change readiness.

H0: There is no significant relationship between organisational commitment and employee change readiness.

H1: There is a significant relationship between organisational commitment and employee change readiness.

2.4.2 Relationship between communication and employee change readiness.

In accordance with Fox (2001), the failure of change take places is due to the top management and managers are lack of ability and aptitude in communicating with the employees and also preparing them towards the

change. Besides that, they also fail or misuse the ways in persuading the employees in accepting the change implemented in the organization. In order to reduce the resistance of change among employees and to make sure that the employees is ready towards the organisational change, trust is needed and it is the duty of top management and managers to create trusting relationships. In the process of increasing trust between managers and employees, managers are also need to ensure that they are applying open communication.

It is based on the communication of trust and respect among employees when it comes to the readiness of an organization and individual (Ian Smith, 2005). Therefore, this shows that respecting and trusting each other in the organization is important where it may affect the readiness of organization and employees. We believe that communication among managers and employees in organization is crucial in building employees readiness to change as communicating planned changes is very important to build a foundation for readiness to change.

In a nutshell, communication is strongly link to the employees' readiness to change where it will affect an employee's readiness towards any changes. Therefore, we strongly agree that this factor should be considered as an independent variable in conducting this research.

H_0: There is no significant relationship between communication and employee change readiness.

H_1: There is a significant relationship between communication and employee change readiness.

2.4.3 Relationship between leadership and employee change readiness.

There is a significant relationship between leadership and employee's change readiness (Hersey *et al.*, 1996). Hersey *et al.* (1996) indicates that the leader need to provides direction and guidelines to employee at the lower levels of readiness, but with higher levels of readiness, the employees will become more responsible in completing tasks given.

Chen J.C. & Silverthorne C. (2005) proposes that employees will have higher willingness in performing a task if the leader has better leadership skill in the organization where in this case, the leader able to lead employees better. Besides that, the leader who has a strong leadership skill is able to motivate the employees to perform the task well; on the contrary, the employees may not keen in performing a task if the leader has a poor leadership skill. A leader who has poor leadership skill does not have the ability to lead the employees well in executing a task and it possibly will make things worst that employees will become unmotivated.

Another researcher, Wilbur A. R. (2011) stated that positive organisational performance will be met if there is a positive correlation between the leader's behavior and employee readiness. In this situation, we can make a conclusion that leadership is also one of the internal forces that influence employee's change readiness.

H_0: There is no significant relationship between leadership and employee change readiness.
H_1: There is a significant relationship between leadership and employee change readiness.

2.4.4 Relationship between self-efficacy and employee change readiness.

The term self-efficacy is often related to self- motivation. According to one of the researchers Bandura, 1997, this is because any increase in self-efficacy can boost motivation and enhance performance of an employee in organization. Moreover, in consistent with the similar researcher Bandura, 1981, 1982, self-efficacy plays a central role in human life and motivation behavior. It is because self-efficacy is relating to an employee's attitudes and behaviors in their confidence towards their abilities in handling changes effectively where it will affect their level of efficacy. Normally self-efficacy is partially on the basis of self-perspective that people choose what to do and how much effort they willing to put in doing the tasks Bandura (1977). According to Whyte, Saks, and Hook (1997) the self-efficacy perceptions of intentions to increase commitment were more prominent in the high self-efficacy condition compared to low self-efficacy and control conditions. In the other way of explaining this circumstance is, the higher an employee being motivated to work is due to they have higher self-efficacy, and subsequently this will cause an employee to have a higher self-perspective when performing a task. This situation can increase the probability of an employee to change which means they are more ready towards a change in an organization. On the contrary, those employees that will easily be discouraged and have lower level of motivation are those employees with low sense of self-efficacy. This may influence an employee to have a negative perspective toward it and cause employee failure to adapt any changes as this implies that the employee is not ready to change.

There are significant relationships between self-efficacy and employee readiness to change because according to Madsen (2005), positive feeling, attitudes, and perceptions of workplace peers, subordinates, and even supervisors may facilitate an environment to be more conducive to

individual willingness and openness for organization change. Those employee that have more confident and with the positive feeling will bound to the organization change without difficulties compare to those who do not have any confident and do not trust in their own capabilities.

In relation with Madsen as well, there are many organization that face with problems and challenges that generated by competition and environmental nowadays. Therefore in this case, there is a number of management emphasize on its product and quality maintenance and also enhancing in the efficiency of employee in performing task in order to increase innovation of the organization (Madsen *et al.,* 2005,). Moreover, in relation with some of the researchers, they stated that in order to overcome these challenges, organizations' are often under pressure for survival and stay competitive in future. In such adverse environment, employee attitudes and behaviors to accept organisational change is considered important for management and for change agents because in this stage, it determines that whether the employee is willing to adapt the organisational change or not (Armenakis *et al.,* 1993; Bernerth, 2004).

Besides that, with the purpose of creating employee readiness towards changes implemented, it involves proactive attempts by a change agent to influence the beliefs, attitudes, intentions and behavior of change participants. This is because change agent such as supervisor or manager can directly influence or motivate employees' readiness towards a change. In accordance with Armenakis, explained that this view highlighted the social aspects of change as organisational players such as employees looking at one another for clues about the meaning of events and circumstances facing by the organization before they attempt the changes (Armenakis et al., 1993). Therefore, self-efficacy plays an important role in influencing the employee readiness to change by changing the employees' belief, attitudes and behaviors towards the change that going to implement in the organization itself. Besides that, this may as well alter an

employee's belief or trust by introducing the benefits that can bring to employees when the particular changes being implemented in organization.

H0: There is no significant relationship between self-efficacy and employee change readiness.

H1: There is a significant relationship between self-efficacy and employee change readiness.

2.5   Conclusion

This chapter has given a better understanding and a clearer picture or direction regarding the dependent variable and independent variables in this research and also their relationships. As mention by various past researchers, it is obvious that there are many internal forces that influence an employee's change readiness in an organization. Besides that, those past researchers have also explained on the relationships of the dependent variable which is employee's change readiness with different independent variables which include employee's perception, belief, values and so forth towards the changes implemented. The research methods are required to be clarified in order for us to continue on testing our hypothesis. This will be clearly explained in the following chapter which is chapter 3 on research methodology.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction

Based on the study that made with the reference of past studies about the internal forces that influence employee change readiness, the next step will be focusing on how to carry out the research in chapter 3, research methodology. In this chapter, it will be emphasizing in several different parts where those areas include of research design where it is to determine whether this research is using qualitative or quantitative data collection techniques. Secondly is data collection method which discuss on the sources of data, sampling design, research instrument which consist of the methods used in conducting this research, construct measurement, data processing such as in terms of diagram or others, and data analysis which provide some recommendations or useful information regarding this research. The main purpose for conducting this chapter is to illustrate on how the data being collected to conduct this research and sources of the data which is where the data being collected from before gathering all the results. This will enable users of this research to have a clearer picture on the process of how the data was collected and composed.

3.1 Research Design

By providing a basis direction or guidance is the importance issue of research design where it is especially for the collection and analysis of data of a study (Churchill 1979). According to Zikmund (2000), the major purpose of research design can be defined or grouped into three categories which include of exploratory, descriptive and causal research where all these are also known as explanatory research. In fact, explanatory research is to conduct research in order to explain and also answer on those questions on why. This can be done by using

questionnaire where researcher can collect some respond from varieties of people towards the why question, by interviews where researcher can get some information from this method as well, and so on. Exploratory research which is one of the categories can be enlighten as a study that conducted to clarify the situation and identity the nature problem that occurred during the examining of the study. Moreover, for the category of descriptive research, it can be define as a method that used to obtain data which describe the characteristics of the situation and person. For example, in descriptive research, the data can be gain from who, what, where, when and how questions. Lastly, causal research is the type of study that pinpoints the cause and effect relationship between the variable in consistent to Zikmund (Zikmund 2000).

Besides that, in relation with some of the researchers, there are two basic approaches in research design which are quantitative and qualitative approach (Hittleman & Simon 1997). According to Denscombe (1998), the difference between qualitative and quantitative approach is whether the data is focusing on words or numbers. Zikmund (2000) states that qualitative approach focus on words and observations such as stories, meanwhile quantitative approach focus on numbers that associated with analysis of data. As a conclusion, qualitative data usually deal with descriptions where the data can only be observed but cannot be measured while quantitative data is deal with numbers and the data can be measured.

The main purpose of this research is to find out whether the internal forces able to influence employee change readiness in an organization. Therefore, in order to investigate on this matter, quantitative data collection data technique has been used to gather information in this research. In line with one of the past studies, quantitative approach is a measurement in which researchers attempt to collect data and investigate or study the relationship between variables which are the association between dependent variable and independent variables in order to produce a statically significant and generally acceptable conclusion (Zikmund 2000). The data are collected in accordance to the independent variables such as

organisational commitment, communication, leadership, and self-efficacy. Generally, questionnaires survey forms have become one of the main data collection instrument of this study as most of the data are being collected through this method. According to one of the researchers, this is because questionnaire survey allows researchers to examine and obtain more data or responses from other respondents in order to do further test such as inspecting and explaining regarding the relationship between the causes and effects (Saunders, 2007). Furthermore, by using the data collection technique of quantitative approach, it is capable for the researcher to determine whether the internal forces are able to affect the employee change readiness in organization.

3.2 Data Collection Methods

3.2.1 Primary Data

As According to some of the researchers such as Hair, Money, Samouel & Page (2007), a research cannot be accomplished with only depending on secondary data. Researchers are also requires to collect and gather primary data as well in order to obtain a complete data and achieve accurate and better results. A survey is very important and useful when researchers want to collect a large number of data in a relatively quick ways by posing some questions to others such as employees from other organization about their opinion as well as suggestion regarding this issue to acquire more data on this particular topic as stated by Jankowicz (2000). Even though there are many advantages by using questionnaires, but yet there are also some drawbacks such as questionnaire survey always indicated human respondents in which human respondents may not be accurate since human have different perceptions and opinion towards the particular issue which it may cause the data collected to be not reliable enough (Jackowicz, 2000).

In primary data collection method, it can be divided into two different methods that is qualitative and quantitative research (Hair et al 2007). In our research, the quantitative technique which been used is the questionnaire survey method, where it is one of the quantitative research methods. It is because the questionnaire survey will help in collecting data from other respondents where respondents may answer few questions regarding this topic where it is based on a predetermined number of answers. Moreover, questionnaire survey method is relatively cheap and it is easy to obtain data that needed from this technique.

3.2.2 Secondary Data

According to Hair et al (2007) secondary data is addressed as the data which is already gathered by other people or researcher and available for everyone to be used. Other researcher also defined secondary data are the data that have been collected from other respondents such as individuals and organizations for the research purposes (Lehmann, 1989; Parasuraman, 1986).

The secondary data from this research are mainly from journal that based on other researcher, it is because by using primary data, the information that we gathered is insufficient since the primary data that collected is from questionnaire. Therefore in this research other data has been gathered by using secondary data from numerous publication, books, article and also journal as well.

3.3 Sampling Design

Sampling is to measure a small group in a large population and then making a general statement as a whole. Sampling design consist of five components which

are target population, sampling frame and sampling location, sampling element, sampling technique and sampling size.

3.3.1 Target population

The target population is very important in this study because the information need to be collect accurately from the correct target population for achieving the research objective. This research is talking about change readiness of the employee so that the employee of store retailer is the main target population in this study. The data will be more accurate to gather due to the employee's perception and characteristic. Therefore, the respondent's feedback will directly support the research objective in this research study.

3.3.2 Sampling Frame and Sampling Location

Zikmund (2003) have states that the sampling frame is the sample will be drawn from a list of population elements that is often somewhat different from the target population in actual practice, also called as working population. The sample size for the research involved 375 respondents from Perak area due to the transportation problem for the researcher. In current study, the target population of our research is the employees or workers who work in Tesco in Perak state.

This population will provide us a more reliable data since there are 6 Tesco in perak state. Researcher has chosen employees which come from different Tesco to understand and study their perception and readiness toward organisational change. This questionnaire will be distributed to the respondent off from job.

Due to the inconvenient to get the whole list of population, thus the non-probability sampling technique has been chosen for this research study. Non-probability defined as which units of the sample are selected on the basis of personal judgment or convenient. In this research, the convenient sampling technique has been chosen (Zikmund, 2003).

3.3.3 Sampling Element

The main target respondents in this research are mostly employees who work in the service industry which is in a retail outlet in Malaysia. Potential respondent are mostly customer service crew, casher, and also management staffs. The purpose of the questionnaire is to help our study, particularly in finding some initial exploratory data for hypotheses testing, the final decision is to work with the service industry employees. Reliable information will be provided for our research from the questionnaire distributed and collected.

3.3.4 Sampling Technique

As mentioned in sampling frame and sampling location, our research is using non-probability sampling technique to get the correct respondents. Non-probability sampling techniques involve picking the respondent randomly, therefore the probability of any particular member of the population being chosen is unknown. Zikmund (2003) stated that non-probability sampling technique in which units of the sample are selected on the basis of personal judgment or convenience. The respondent being chosen varies from age, gender and also education level. In this research, reason influencing their readiness to change will be discovered. By using

this sampling technique also, we will be able to collect our data quickly and economically which caused by limited budget and also time limitation.

3.3.5 Sampling Size

Table 3.1 Table for Determining Sample Size from a Given Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: "N" is population size

"S" is sample size.

Adapted from: Krejcie, R.V. & Morgan, D.W. (1970) "Determining Sample Size for Research Activities".

For this research study, the sample size is determining by Krejcie and Morgan. Krejcie and Morgan are using the following formula to calculate the sample size.

$$s = X \, NP - P \div d \, N - + X \, P - P$$

Where s   = required sample size.

       X^2 = the table value of chi-square for 1 degree of freedom at the desired

           confidence level (3.841).

       N   = the population size.

       P   = the population proportion (assumed to be .50 since this would

           provide the maximum sample size).

       d   = the degree of accuracy expressed as a proportion (.05).

In the Table 3.1, the number of population and sample size was given based on 95% of confidence level and the margin of error + or – 5%. The population size in this research study is 2250 therefore the sample size of this research study is 327. But to make sure the return rate is higher, the questionnaire will distribute to 350 employees.

3.4 Research Instrument

The current studies are populated with the questionnaire technique. As questionnaire method uses samples to obtain precise information about the population, therefore it is more reliable. (Julie Yu & Harris Cooper, 1983). A survey on employees' readiness to change had been carried out. Questionnaire

was developing during the research based on literature review. The research done in this study is self-administered questionnaire. The methodology used is suitable for the research carried out because direct questioning is used to gather descriptive data to answer the questions in five propositions. To make sure that the respondents are clear about the questionnaire, the questionnaire is carefully develop and design before distributing them to the respondent to avoid collection of wrong information. With the information and feedbacks from the employees may help the organisation in making them ready for the change that will be incurred.

Besides that, by using the questionnaire method, we can have direct response from the respondents through face to face feedback. By using questionnaire also, we can collect our data in short time length and cost efficiently. Questions in the questionnaire include fixed alternative questions and open ended questions. Fixed alternative are also known as closed ended questions. This fixed alternative question can explain by; which the respondents are given specific, limited alternative responses and asked to choose the one closest to their own viewpoint and this is the question type that be chosen to set up in the questionnaire in conducting the feedback from the respondents. Self-administered questionnaire was used as a tool in collecting primary data. This set of questionnaire served as an important tool to get response from the respondents which were then evaluated. (Kolb, 2008)

3.4.1 Pilot Testing

Before distributing the 350 set to the respondents, a pilot study was conducted to ensure the survey questions were easily and correctly understood. According to Zikmund (2003), pilot testing is any small scale exploratory research technique that uses sampling but does not apply to rigorous standard. It is also known as pre-testing. This purpose of pilot-test is to ensure the respondent has no problem in answering the question and

have followed the instruction correctly. The feedbacks from the respondents help to identify errors in the questionnaire layout and instruction. The pilot test also helped to determine problems caused by some respondent's reluctance to answer some of the questions.

There will be 35 sets of questionnaire to be distributed for pilot testing in order to make sure that the researchers will be able to achieve the research study objective. The complete questionnaire was subjected to a pilot-test using 35 respondents who are the 10% of the total 350 respondents from Perak state to discover the poor wording, ordering of question and the data reliability. Thus, executing pilot tests were to ensure that the result show the questionnaire will be reliable and validity so we can get a more accurate and better result for this research study.

3.5 Constructs Measurement (Scale and Operational Definitions)

3.5.1 Questionnaire Design

To design a good questionnaire, the researchers normally used direct and simple words to design the question for each variable. Because it is easily for the respondents to understand the entire question and facilitate the answering process. The first page of the cover questionnaire is to clarify the research's objectives. Besides that, all the information relevant to the respondents in the questionnaire will not be disclosed. Therefore, the respondents' worries and anxieties can be reduced as privacy and confidentiality are being protected.

All the question in this research study was adopt from the journals and other samples of questionnaire. The questionnaire was separated into two main sections. Section A requires the respondents to fill up their

demographic information. The technique used in Section A was fixed-alternative question or called closed ended question which means giving the respondents specific limited-alternative responses for them to choose the closest to their own point of view. By using fixed-alternative, it is easier for respondents to answer the question as it requires less effort to think their own answer. Besides that, using fixed-alternative question is the good first question because it allows the respondents to warm up to the questioning process. Standardization of alternative responses to a question provides comparability of answers, which facilitates coding, tabulating and ultimately interpreting the data.

On the other hand, Section B requires the respondents rank the question based on their own experiences. In Section B, Likert Scale are used to give the respondents to indicate their attitudes by checking how strongly they agree or disagree with carefully constructed statements. The question design in Section B was to measure the dependent variable and independent variable. Five questions have been conducted in each variable.

Example of Fixed-Alternative Question:

Gender: [   ] Male

                 [   ] Female

Age group: [   ] 19 years old or younger

                 [   ] Between 20-29 years old

                 [   ] Between 30-39 years old

                 [   ] Between 40-49 years old

                 [   ] Between 50-59 years old

                 [   ] 60 years old or older

3.5.2 Measures

According to Zikmund (2003), a true measurement of concept requires a process of assigning precise scores or numbers t the attribute of the object or people. In measuring the variables of the research, both nominal scales and ordinal scales were used to ensure validity and reliability of the questionnaire.

Nominal scale represents the most elementary level of measurement. A nominal scale assigns a value to an object for identification or classification purposes. The nominal scale's value does not have a number because no quantities are being represented (Zikmund, 2010). Nominal scales are used to measure basic personal information such as gender.

Example of Nominal Scale Question:

Gender: [   ] Male

                 [   ] Female

According to Zikmund (2010), ordinal scales also called as ranking scales which include nominal properties, but they also allow things to be arranged based on how much of some concept they possess. On the other hand, ordinal scales do not tell the value of the interval between rankings. Nominal scales are used to gather respondents' information such as age, race, number of year working in the company, and highest education level.

Example of Ordinal Scale Question:

Age group: [   ] 19 years old or younger

               [   ] Between 20-29 years old

               [   ] Between 30-39 years old

               [   ] Between 40-49 years old

               [   ] Between 50-59 years old

               [   ] 60 years old or older

Likert Scale (Likert five-point scale) also known as Interval Scale was used in Section B of the questionnaire to measure the independent variables and dependent variable in this research. Likert Scale has both nominal and ordinal properties, but they also capture information about differences in quantities of a concept. In addition, it confines relative quantities in the form of distances between observations, but it does not exactly represent some phenomena. The starting point of the Likert Scale may be any arbitrary number (Zikmund, 2010). Likert scaling is a bipolar scaling method, measuring either positive or negative response to a statement. The Likert Scale format that are being used in the current research are from "1 = strongly disagree", "2 = disagree", "3 = neutral", "4 = agree", "5 = strongly agree".

Example of Likert Scale Question:

Example of question to test on Organisational Commitment:
I feel like I am "part of the family" in my organisation.   1 2 3 4 5

Example of question to test on Communication:
The management provides information to make me more understand about the change that they had implemented.   1 2 3 4 5

Example of question to test on Leadership:
My leadership team is committed to the success of the readiness to change.   1 2 3 4 5

Example of question to test on Self-efficacy:
The management gives me the opportunity to provide feedback about the changes.   1 2 3 4 5

Example of question to test on Change Readiness:

I feel optimistic that the proposed change of the organization will be

successful.   1 2 3 4 5

3.5.3 Validity

Validity is the accuracy of a measure or the extent to which a score truthfully represented a concept (Zikmund, 2010). Validity questions are we accurately measuring what we think we are measuring. To be a good measurement, it should be both consistence and accurate.

In this research study, there are consist two main section in the questionnaire. It covers Respondent's Demographic Information which includes respondents' personal detail in Section A. In Section B, it covers all the independent variables which are organisational commitment, communication, leadership, and self-efficacy; the dependent variable is change readiness.

In Section B, the respondents are required to provide feedback on how much they felt that they are committed to their current company. After that, the respondents are required to indicated whether the company has the proper way to communicate with them or giving a chance to them to voice out their opinion. Next, the respondents are required to indicate the leadership of the management level which leads them toward change readiness. Follow by self-efficacy, the respondents are also required to indicated whether the company care about their value or the respondents satisfied with the changes readiness that make by the company. Finally, the respondents are required to indicate the level of change readiness in their current job position.

3.5.4 Reliability

Reliability is defined as the degree to which measures are free from random error and therefore yield consistent results. In other words, reliability is an indicator of a measure's internal consistency (Zikmund, 2010). Internal consistency which is represents a measure's homogeneity or the extent to which each indicator of a concept converges on some common meaning. Besides that, it also measured by correlating scores on subsets of items making up a scale.

According to Zikmund (2010), the most commonly used to test reliability is Coefficient Alpha (α). Coefficient Alpha is represented the average of all possible split-half reliabilities for a construct. The range in Coefficient Alpha is from 0 to 1. Value of 0 which means no consistency, but the value of 1 means complete consistency. The range of Coefficient Alpha (α) has shown as below:

$\alpha = 0.80$ to 0.95	(very good reliability)
$\alpha = 0.70$ to 0.80	(good reliability)
$\alpha = 0.60$ to 0.70	(fair reliability)
$\alpha < 0.60$	(poor reliability)

3.6 Data Processing

After all data had been collected from a sample of the target population, analysis is the next step to test the research hypothesis. However, before start analyzing these data, several preliminary steps needs to be completed to ensure accuracy of the data and to also the data are complete and ready to be analyzed.

3.6.1 Data Checking

The first step in data processing is the data checking. Collected data needs to be checked whether the feedback from targeted respondents are valid for the research. When conducting surveys on the targeted population, data collected at the end of each day needs to be checked by the researchers and immediately seek for clarification for any questions that approaches. Entries on the questionnaire must be complete and clearly written in order to facilitate data analysis later. Entering detailed data of the whole collection of questionnaires from the targeted population can lead to errors; therefore, a second researcher should double-check all the data entered in order to reduce the possibility of omissions of any of the relevant data.

3.6.2 Data Coding

Once all the data has been entered into the system, the next process will then be proceeding. The second process will be data coding which involves assigning a number to the participants' responses so that the data can be entered into a database. In the questionnaire, there are seven items measuring personal details of targeted respondents; twenty-three items measuring independent variables including organisational commitment, communication, self-efficacy and leadership; and lastly six items measuring the dependent variable that is change readiness. Data may be coded by using the actual number circled by the respondents (e.g.: 1, 2, 3, 4 …). Next will be the consideration of coding data of non-responses. Some researchers chose to leave non-responses blank but in the current research, non-responses are assigned with a '99'.

3.6.3 Data Editing

After all the data are keyed into the database and coded, they need to be edited. Data editing deals with detecting and correcting illogical, inconsistent, or illegal data and omissions in the information returned by the targeted respondents of the research. Inconsistent responses are responses that are not in matched with other information. If this kind of errors were to be spotted, researchers may edit the response by themselves based on the style of answering of the particular respondents in the previous questions. Illegal codes are values that are not specified in the coding instructions. The best way to check for illegal codes is to have the computer to produce frequency distribution and then check for its illegal codes.

Omissions of data may occur when respondents do not understand the question, did not know the answer, or were not willing to answer the question in the questionnaire. If a substantial number of questions in the questionnaire have been left unanswered, it may be the best to throw out the questionnaire and not to include it in the data set for analysis. One of the ways to handle blank responses is to ignore it when the analyses are done. Another alternative solution would be to assign to the item the mean value of the responses of all the respondents who have responded to that particular item.

3.7 Data analysis

The main concept of data analysis is to examining and modeling the data by placing facts and figures to solve research problem and also highlighting the useful information by suggesting assumptions to utilize the data to address some specific problem such as solving the research problem.

In data analysis process the major thing have to be done is to collect all the useful data because it is important in data analysis since all the data we had collected will be convert into valuable information by using s software call Statistical Package for the Social Sciences also known as SPSS. SPSS is a major component in data analysis because it helps to analyze and the data has been collected before.

3.7.1 Descriptive Analysis

Descriptive analysis is used to describe the basic features of the data in a study. It has provided simple summaries about the sample and the measures. Together with simple graphics analysis, it forms the basis of virtually every quantitative analysis of data. In addition, descriptive analysis helps to simply large amounts of data in a sensible way.

Pie chart was used to analyze the data which are collected in the research. A pie chart is a circular chart in which the circle is divided into sectors. Each of the sectors represents an item in a data set to match the amount of the item as a percentage or fraction of the total data set. The pie chart used to determine the percentage of gender, age group, race, highest education level and the number of years that the respondents working in the current company. Pie chart is easily to differentiate between the sizes of items in a chart. Furthermore, pie chart only requires a minimal additional explanation compare to other types of graphs. Moreover, pie chart is summarizing overall data set in visual form therefore it can be easily to understand.

3.7.2 Scale Measurement

According to (Crocker 1986; Cronbach 1990; Traub 1994), a survey instrument such as questionnaire is considered reliable if the measures are

consistent according to the score or result, stability enough and repeatability conferring to data collection instrument.

In scale measurement phase, questionnaire is the survey instrument in this research study. It is because there are many advantages and it helped a lot in reducing the workload during the research. The major advantage of using questionnaires is that the data is easy collected in a short period of time and the data can be collected in a large population and also questionnaires is at a low cost. However, there are also some drawbacks of using questionnaire such as the data collected may not reliable enough (Winkel and Mathiassen, 1994, Van Der Beek and Frings-Dresen, 1998). Therefore, Cronbach Coefficient Alpha used in order to obtain a reliability result (Cronbach, 1951). Cronbach Coefficient Alpha is a reliability test, to measure the reliability of our questionnaire survey.

In this research, the reliability test was used to test and measure all the variables which include employees' change readiness, communication, leadership, organisation commitment and self-efficacy as dependent variable and independent variable.

Table 3.2: Rules of Thumb about Cronbach's Alpha Coefficient Size

Alpha Coefficient Range	Strength of Association
< 0.6	Poor
0.6 to <0.7	Moderate
0.7 to <0.8	Good
0.8 to <0.9	Very Good
≥0.9	Excellent

*If Alpha > 0.95, item should be inspected to ensure they measure different aspects of the concept.

3.7.3 Inferential Analysis

In inferential analysis phase, Correlation coefficient statics or data were used in the research because correlation coefficient helped to determine the level of relationship between one variable with another variable. Moreover, the correlation coefficient is a measure of the strength of the linear relationship. Correlation coefficient is divided into negative and positive relationship, a positive relationship coefficient will indicates a high value of one variable and for the negative relationship is on a vice versa way. In addition, there are two types of correlation coefficient which are Spearman Rank Older and Pearson Correlation Coefficient.

In this research, the focuses is to examine the variables of employee readiness to change (dependent variable), thus a correlation test was been applied. From the correlation, the significant relationship between the independent variable which is organisation commitment, communication, leadership and self-efficacy and the dependent variable were tested. The variable measurements are using a metric scale as designed in the questionnaire; therefore Pearson correlation coefficient used in this research since it measure the actual data.

3.7.3.1 Pearson Correlation Coefficient

Pearson Correlation Coefficient is a statistical measure of the strength of the linear relationship between two variables (Zikmund, 2003). The value of correlation coefficient is within the range + 1 to -1. It is indicating that two variables have a strong and perfect positive linear relationship when the correlation coefficient is +1. In contrast, when correlation coefficient result shows -1 which indicated that the two variables are perfectly

negative linear relationship or both independent and dependent variables may have an opposite relationship.

Table 3.3: Interpretation of Strength of Pearson Correlation Coefficient

Coefficient Range	Strength
$\pm$ 0.00 to $\pm$ 0.20	Slight, almost negligible
$\pm$ 0.21 to $\pm$ 0.40	Small but definite relationship
$\pm$ 0.40 to $\pm$ 0.70	Moderate
$\pm$ 0.71 - $\pm$ 0.90	High
$\pm$ 0.91 to $\pm$ 1.00	Very strong

Source: Hair, J. F. Jr., Money, A. H., Samouel, P., & Page, M. (2007). *Research methods for business.* Chichester, West Sussex: John Wiley & Sons, Inc.

3.7.3.2 Multiple Regressions

Multiple regressions are an analysis of association in which the effects of the four independent variables on employees' change readiness in an organisation. Multiple regressions analysis is an extension of bivariate regression analysis, which allow for the simultaneous investigation of the effect of two or more independent variables on a single, interval scale or ratio scale with dependent variable (Zikmund, 2003).

Multiple regressions can build a set of independent variables that explain the proportion of the variable in dependent at significant level through multiple regressions tests. It is identifying the importance of independent variables by comparing beta weights. From the proposed formula, Y= a +

b1X1 + b2X2 + b3X3 + b4X4, where represents the dependent variable while a represent the intercept and b is the partial regression coefficient.

A regression equation was formed as stated as below:

CR = a + b1OC + b2CO + b3LD + b4SE

Where, CR = Change Readiness

OC = Organisational Commitment

CO = Communication

LD = Leadership

SE = Self-efficacy

3.8 Conclusion

In this chapter it explain the overall of the methodology function and purposes, moreover it also described how the research was being carried out such as using questionnaire as this research's primary data and journal as this research's secondary data. Besides that, this research also discussed the function of Cronbach Coefficient Alpha, Statistical Package of the Social Sciences (SPSS) and Pearson Correlation Coefficient. In the nutshell, the following chapter, which is chapter 4 the data analysis will be, described more detailed systematic understanding by illustrating the data.

CHAPTER 4: RESEARCH RESULT

4.0 Introduction

In chapter 4, research further with analysis and elaborate the data of the research project based on Statistical Package for Social Science (SPSS). Data of research was carried out on a retailer in Malaysia. Generally, this chapter has been divided into 3 parts which include descriptive analysis, scale measurement and inferential analyses. Each of this main component play an important role in determining in our research since descriptive analysis explained about the demographic profile and some overall information of the respondents. Following, is scale measurement towards the constructs determined for the research. Lastly, inferential analysis determines the sample data collected concerning the characteristics of the respondents.

4.1 Descriptive Analysis

Descriptive analysis can be defined as a designed to obtain data that used to describe the basic features of the data in this research. Normally descriptive analysis involves the presentation of information in a fairly simple form which provided summaries about the sample and the measures. Moreover, descriptive analysis can also be used to disclose the pattern of respondents for example, the gender, race, highest education and also the age. Besides that, sample characteristics can be obtained by using central tendency as well.

4.1.1 Respondent's Demographic Profile

In this research, the respondent demographic profile consists of gender, age, race, highest education and number of year working.

Table 4.1: Gender of Respondents

Gender of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	227	64.9	64.9	64.9
	female	123	35.1	35.1	100.0
	Total	350	100.0	100.0	

Figure 4.1: Gender of Respondents
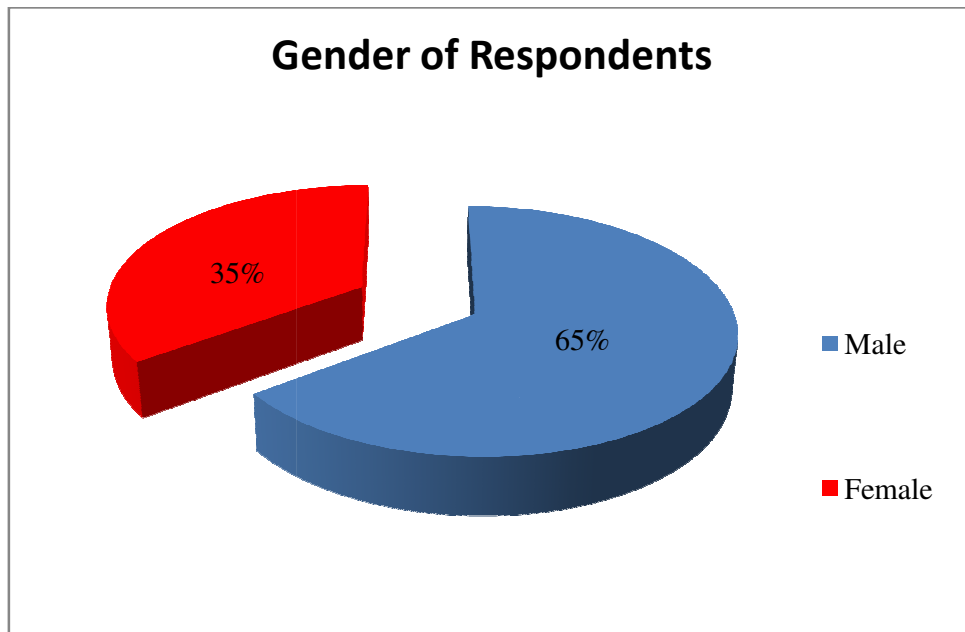
Source: Developed for the research

Based on Table 4.1, 65% out of the total respondents are males and the remaining 35% are females. This indicates that male respondents are more than female respondents.

Table 4.2: Age Group of Respondents

Age Group of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 19 years old	142	40.6	40.6	40.6
	20-29 years old	190	54.3	54.3	94.9
	30-39 years old	18	5.1	5.1	100.0
	Total	350	100.0	100.0	

Figure 4.2: Age Group of Respondents
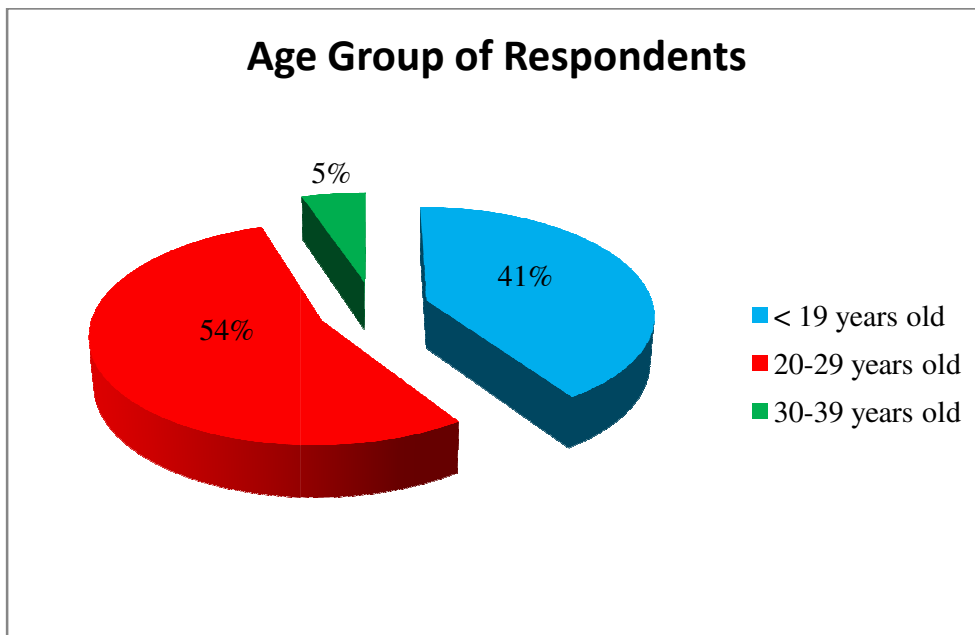
Source: Developed for the research

Table 4.2 shows that majority of the respondents were aged between 20 to 29 years old which comprises 54% with the amount of 190 respondents.

The second highest of respondents are in age below 19 years old which has 142 respondents with 41%. The lowest amount of respondents is 5% which in the range of between 30 to 39 years old.

Table 4.3: Race of Respondents

Race of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	185	52.9	52.9	52.9
	Chinese	75	21.4	21.4	74.3
	Indian	90	25.7	25.7	100.0
	Total	350	100.0	100.0	

Figure 4.3: Race of Respondents
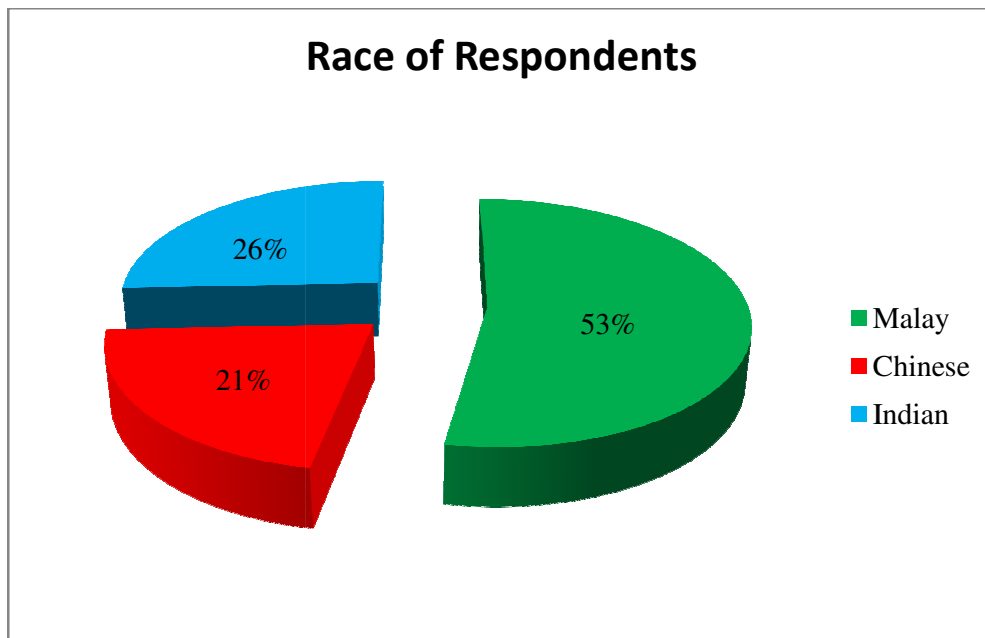
Source: Developed for the research

As shown in table 4.3, majority of the respondents are Malay with 185 respondents covering 53%. The second highest is Indians with 90 respondents covering 26% and the least are Chinese with 75 respondents covering 21%.

Table 4.4: Highest Education Level of Respondents

Highest Education Level of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Secondary Level	314	89.7	89.7	89.7
	College Level	18	5.1	5.1	94.9
	University Level	18	5.1	5.1	100.0
	Total	350	100.0	100.0	

Figure 4.4: Highest Education Level of Respondents
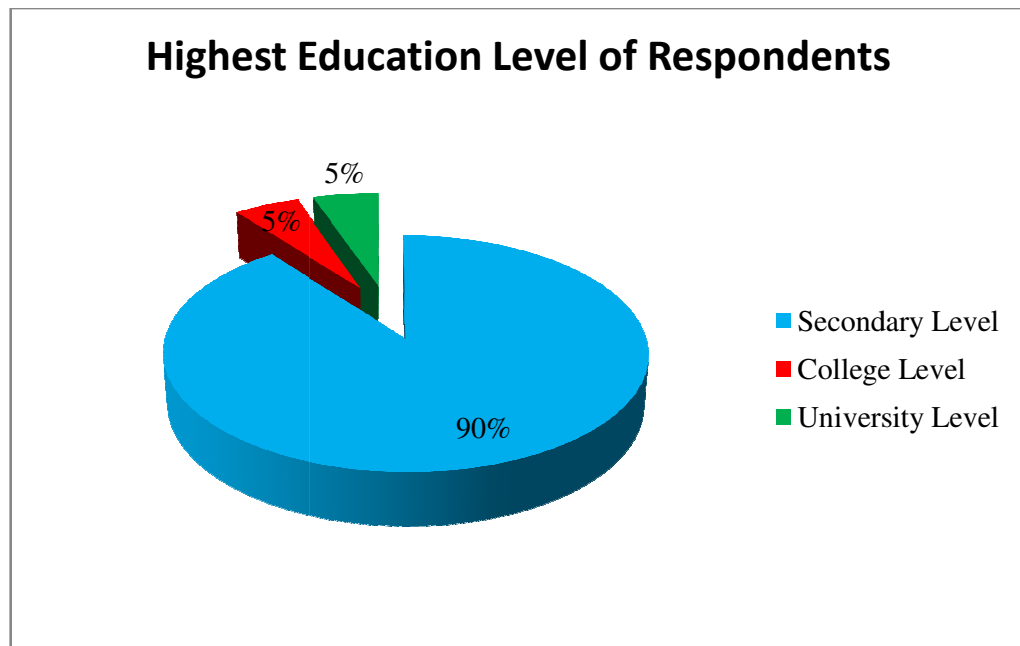
Source: Developed for the research

Based on the table 4.4, highest educations of the respondents are studied until secondary level which included about 314 respondents comprising 90% and other respondents who are studied in college or university have the same amount of respondents which is 18 respondents and comprising 5%. This indicates that, most of the employees studied until secondary level.

Table 4.5: Number of Years Working in Current Company of Respondents

Number of Years Working in Current Company of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 2 years	193	55.1	55.1	55.1
	2 – 5 years	139	39.7	39.7	94.9
	5 – 10 years	18	5.1	5.1	100.0
	Total	350	100.0	100.0	

Figure 4.5: Number of Years Working in Current Company of Respondents

Number of Years Working in Current Company of Respondents

5%
40%
55%

- < 2 years
- 2 – 5 years
- 5 – 10 years
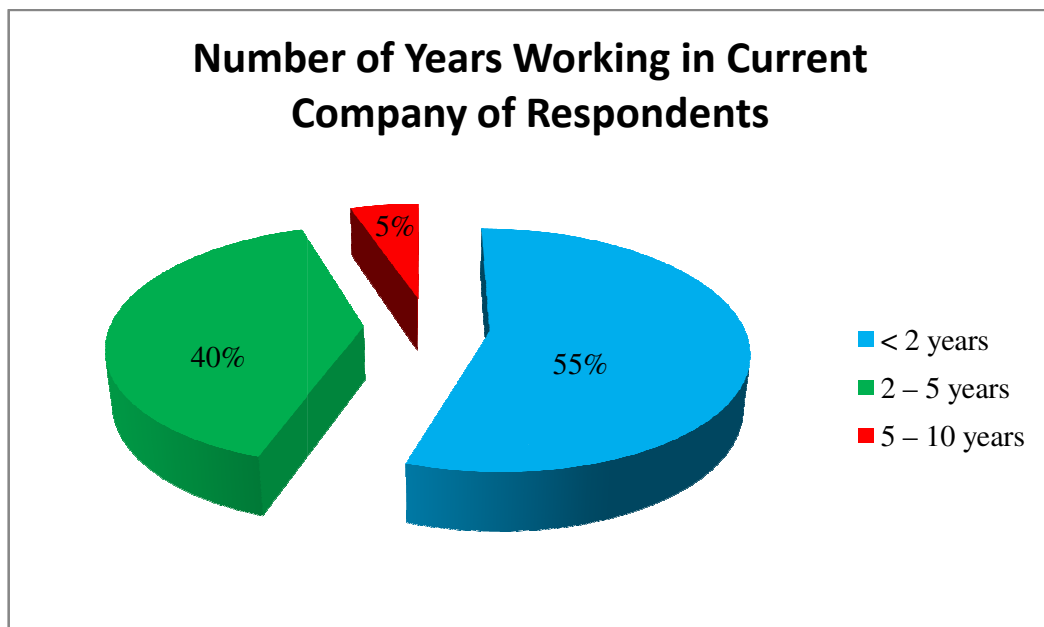
Source: Developed for the research

As shown in table 4.5, the longest numbers of years working are below 2 years which included 193 respondents with 55%. The second longest numbers of years working are between 2 to 5 years with 139 respondents covering 40% and the fewest numbers of years working are between 5 to 10 years with 5%. This indicates that, most of the employees are new.

4.1.2 Central Tendencies Measurement of Constructs

Table 4.6: Descriptive Statistics of Organisational Commitment

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
I feel like I am "part of the family" in my organisation.	350	3.1343	1.28769	1.658	2
I would be very happy to spend the rest of my career with the organisation.	350	3.0886	0.99893	0.998	3
This organisation has a great deal of personal meaning for me.	350	3.1400	0.96373	0.929	1
I enjoy discussing my organisation with people outside of it.	350	3.0886	0.88970	0.792	3
I really feel as if the organisation's problems are my own.	350	2.4343	1.16046	1.347	5

Source: Developed for the research

Table 4.7: Results of Organisational Commitment

Category		N	Percentage (%)
I feel like I am "part of the family" in my organisation.	Strongly Disagree	54	15.4
	Disagree	71	20.3
	Neutral	35	10.0
	Agree	154	44.0
	Strongly Agree	36	10.3
	Total	350	100.0

Category		N	Percentage (%)
I would be very happy to spend the rest of my career with the organisation.	Strongly Disagree	18	5.1
	Disagree	106	30.3
	Neutral	53	15.1
	Agree	173	49.4
	Total	350	100.0

Category		N	Percentage (%)
This organisation has a great deal of personal meaning for me.	Disagree	124	35.4
	Neutral	70	20.0
	Agree	139	39.7
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I enjoy discussing my organisation with people outside of it.	Strongly Disagree	18	5.1
	Disagree	53	15.1
	Neutral	176	50.3
	Agree	86	24.6
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I really feel as if the organisation's problems are my own.	Strongly Disagree	89	25.4
	Disagree	106	30.3
	Neutral	86	24.6
	Agree	52	14.9
	Strongly Agree	17	4.9
	Total	350	100.0

Source: Developed for the research

According to Table 4.6, among the items measured in items of organisational commitment, the statement "This organisation has a great deal of personal meaning for me" has the highest mean of 3.1400 whereas the statement "I really feel as if the organisation's problems are my own" has the lowest mean of 2.4343. Refer to the result above, employees' having high organisational commitment normally think that the organisational play an important role in their life.

Based on the result in Table 4.7, it reveals that majority of the respondents that is a total of 44.0% agree that they feels like being "part of the family" in their current organisation while only 10.0% of the respondents indicates neutral. Next, a majority of the respondents (49.4%) indicates agree that they very happy to spend the rest of their career with the current organisation whereas another 5.1% indicates that they are strongly disagree with the statement. Others than that, there are 39.7% of respondents agree that the current organisation has a great deal of personal meaning in their life, but on the other hand, there are 35.4% of the respondents disagree the statement. For the following statement which is the respondents enjoy discussing the current organisation with people outside of it, majority of the respondents indicates neutral (50.3%) while only a small portion of the respondents indicates strongly agree (4.9%). Lastly, there are 30.3% of respondents disagree that the organisation's problems are their own problem while there are 4.9% of respondents indicates strongly agree with the statement.

Table 4.8: Descriptive Statistics of Communication

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
The change incurred in my organization is necessary.	350	3.4171	0.75908	0.576	1
The management provides information to make me more understand about the change that they had implemented.	350	2.9543	1.04246	1.087	2
The change in my organization makes me feel unsecured about my future.	350	2.8114	1.38716	1.924	4
The top management communicates the change in an appealing way.	350	2.8800	1.22411	1.498	3
I am allowed to give my opinion about the change.	350	2.5314	1.32548	1.757	5

Source: Developed for the research

Table 4.9: Results of Communication

Category		N	Percentage (%)
The change incurred in my organization is necessary.	Strongly Disagree	1	0.3
	Disagree	38	10.9
	Neutral	142	40.6
	Agree	152	43.4
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management provides information to make me more understand about the change that they had implemented.	Strongly Disagree	42	12.0
	Disagree	72	20.6
	Neutral	96	27.4
	Agree	140	40.0
	Total	350	100.0

Category		N	Percentage (%)
The change in my organization makes me feel unsecured about my future.	Strongly Disagree	90	25.7
	Disagree	71	20.3
	Neutral	38	10.9
	Agree	117	33.4
	Strongly Agree	34	9.7
	Total	350	100.0

Category		N	Percentage (%)
The top management communicates the change in an appealing way.	Strongly Disagree	71	20.3
	Disagree	55	15.7
	Neutral	86	24.6
	Agree	121	34.6
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I am allowed to give my opinion about the change.	Strongly Disagree	107	30.6
	Disagree	88	25.1
	Neutral	35	10.0
	Agree	102	29.1
	Strongly Agree	18	5.1
	Total	350	100.0

Source: Developed for the research

According to figure 4.8, among the items measured in terms of communication, the statement 'the change incurred in my organization is necessary' has the highest mean of 3.4171 whereas the statement 'I am allowed to give my opinion about the change' has the lowest mean of 2.5314. In other words the employees feel that there is a need to change in the organization. However, some of them are think that they were not allowed to give their opinion towards the change.

Based on the result in Table 4.9, it reveals that majority of the respondents that is a total of 43.4% agree that the change incurred in my organization is necessary while only 0.3% of the respondents indicates strongly disagree with the statement. Next, a majority of the respondents (40.0%) indicates agree the statement "the management provides information to make me more understand about the change that they had implemented" while 12.0% strongly disagree with it. Others than that, there are 33.4% of respondents agree that they felt unsecure if the change is implemented at the organisation, but on the other hand, there are 25.7% of the respondents strongly disagree to the statement. For the following statement which is the top management communicates the change in an appealing way, majority of the respondents indicates agree with the statement (34.6%) while 24.6% remain neutral with it. Lastly, there are 30.6% of respondents strongly disagree that they are allowed to give opinion on the change, while minority of them (5.1%) of respondents indicates strongly agree with the statement.

Table 4.10: Descriptive Statistics of Leadership

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
My leadership team is committed to the success of the readiness to change.	350	2.9200	0.92677	0.859	1
My leadership team has the right people involved to make this change happen.	350	2.6314	1.05637	1.116	4
I believe that my local manager (leader) is committed to the success of the organisation readiness to change.	350	2.6029	1.02098	1.042	5
My manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change.	350	2.7829	1.16724	1.362	3
I'm able to support my manager (leader) through this change process.	350	2.8543	1.19403	1.426	2

Source: Developed for the research

Table 4.11: Results of Leadership

Category		N	Percentage (%)
My leadership team is committed to the success of the readiness to change.	Strongly Disagree	8	2.3
	Disagree	141	40.3
	Neutral	72	20.6
	Agree	129	36.9
	Total	350	100.0

Category		N	Percentage (%)
My leadership team has the right people involved to make this change happen.	Strongly Disagree	35	10.0
	Disagree	178	50.9
	Neutral	18	5.1
	Agree	119	34.0
	Total	350	100.0

Category		N	Percentage (%)
I believe that my local manager (leader) is committed to the success of the organisation readiness to change.fyp	Strongly Disagree	35	10.0
	Disagree	174	49.7
	Neutral	36	10.3
	Agree	105	30.0
	Total	350	100.0

Category		N	Percentage (%)
My manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change.	Strongly Disagree	54	15.4
	Disagree	105	30.0
	Neutral	71	20.3
	Agree	103	29.4
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I'm able to support my manager (leader) through this change process.	Strongly Disagree	50	14.3
	Disagree	108	30.9
	Neutral	55	15.7
	Agree	117	33.4
	Strongly Agree	20	5.7
	Total	350	100.0

Source: Developed for the research

Table 4.10, had shown the items measured in terms of leadership, the highest satisfactory scores for mean with 2.9200 regarding the "My leadership team is committed to the success of the readiness to change." However, there are relatively low satisfactory scores (mean=2.6029) were found for "I believe that my local manager (leader) is committed to the success of the organisation readiness to change". The item that has the lowest standard deviation was 'My leadership team is committed to the success of the readiness to change' (0.92677). In contrast, the standard deviation of the statement of "I'm able to support my manager (leader) through this change process" was the highest (1.19403).

According to table 4.11, most of the respondents 40.3% disagreed that my leadership team is committed to the success of the readiness to change and 36.9% respondents are classified as agree. Majority of the respondents which is about 50.9% disagreed with the statement of my leadership team has the right people involved to make this change happen. However, minority of respondents are remaining neutral which consists of 5.1%. Moreover, there are about 49.7% of the respondents are disagree with the statement of I believe that my local manager (leader) is committed to the success of the organization readiness to change. Whereas 30.0% of respondents classified as agree with the statement. Majority of the respondents which consist of 29.4% agree with the statement of my manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change but only respondents 15.4% categorizes as

strongly disagree. Moreover, the majority of the respondents agree with the statement of I'm able to support my manager (leader) through this change process is 33.4%. In fact, 30.9% of the respondents were disagreeing towards this statement.

Table 4.12: Descriptive Statistics of Self-efficacy

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
The management gives me the opportunity to provide feedback about the changes.	350	3.0857	1.09627	1.202	2
The management concern about our value.	350	2.9771	1.22978	1.512	5
The management monitors employee satisfaction and makes changes when necessary to improve it.	350	3.0314	0.97041	0.942	4
The management encourages us to share our ideas and suggestions before making the changes.	350	3.1343	1.06075	1.125	1
The management cares about our perceptions or benefit before making any changes.	350	3.0343	0.97179	0.944	3

Source: Developed for the research

Table 4.13: Results of Self-efficacy

Category		N	Percentage (%)
The management gives me the opportunity to provide feedback about the changes.	Strongly Disagree	36	10.3
	Disagree	88	25.1
	Neutral	36	10.3
	Agree	190	54.3
	Total	350	100.0

Category		N	Percentage (%)
The management concern about our value.	Strongly Disagree	54	15.4
	Disagree	89	25.4
	Neutral	35	10.0
	Agree	155	44.3
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management monitors employee satisfaction and makes changes when necessary to improve it.	Disagree	142	40.6
	Neutral	72	20.6
	Agree	119	34.0
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management encourages us to share our ideas and suggestions before making the changes.	Strongly Disagree	36	10.3
	Disagree	34	9.7
	Neutral	161	46.0
	Agree	85	24.3
	Strongly Agree	34	9.7
	Total	350	100.0

Category		N	Percentage (%)
The management cares about our perceptions or benefit before making any changes.	Strongly Disagree	18	5.1
	Disagree	88	25.1
	Neutral	125	35.7
	Agree	102	29.1
	Strongly Agree	17	4.9
	Total	350	100.0

Source: Developed for the research

Table 4.12, had shown the items measured in terms of self-efficacy, where the highest satisfactory scores for mean is 3.1343 regarding the "The management encourages us to share our ideas and suggestions before making the changes". However, there are relatively low satisfactory scores mean is 2.9771 were found for "The management concern about our value". For the item that has the lowest standard deviation was "The management monitors employee satisfaction and makes changes when necessary to improve it" (0.97041). In contrast, the standard deviation of the statement of "The management concern about our value." was the highest (1.22978).

Based on the table 4.13, 54.3% of the respondents agree that the management gives me the opportunity to provide feedback about the changes. There are only 10.3% of the respondents who strongly disagree with it. Pertaining to, the management concern about our value 44.3% of the respondents agree with it and respondents who strongly disagree with it are only 4.9%. Most of the respondents (34.0%) agree that the management monitors employee satisfaction and makes changes when necessary to improve it and 4.9% of the respondents strongly disagree with It. 24.3% of the respondents agreed that the management encourages us to share our ideas and suggestions before making the changes while 9.7% strongly disagree with it. Regarding the management cares about our perceptions or benefit before making any changes about 29.1% agree. However, there are 4.9% of the respondents strongly disagree with the statement.

Table 4.14: Descriptive Statistics of Change Readiness

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
I feel optimistic that the proposed change of the organization will be successful.	350	2.8429	0.85371	0.729	4
I look forward to be involved in changing the program or area in which I work.	350	2.8943	1.09582	1.201	2
I will resist any changes to the program or area in which I work.	350	2.8743	1.02192	1.044	3
I clearly understand the change vision and direction the company needs to move.	350	2.9771	1.14283	1.306	1
I believe that the proposed change will benefit the organization and us.	350	2.7257	1.30205	1.695	5

Source: Developed for the research

Table 4.15: Results of Change Readiness

Category		N	Percentage (%)
I feel optimistic that the proposed change of the organization will be successful.	Disagree	159	45.4
	Neutral	87	24.9
	Agree	104	29.7
	Total	350	100.0

Category		N	Percentage (%)
I look forward to be involved in changing the program or area in which I work.	Strongly Disagree	36	10.3
	Disagree	122	34.9
	Neutral	35	10.0
	Agree	157	44.9
	Total	350	100.0

Category		N	Percentage (%)
I will resist any changes to the program or area in which I work.	Disagree	171	48.9
	Neutral	88	25.1
	Agree	55	15.7
	Strongly Agree	36	10.3
	Total	350	100.0

Category		N	Percentage (%)
I clearly understand the change vision and direction the company needs to move.	Strongly Disagree	36	10.3
	Disagree	107	30.6
	Neutral	53	15.1
	Agree	137	39.1
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I believe that the proposed change will benefit the organization and us.	Strongly Disagree	90	25.7
	Disagree	70	20.0
	Neutral	53	15.1
	Agree	120	34.3
	Strongly Agree	17	4.9
	Total	350	100.0

Source: Developed for the research

According to Table 4.14, among the items measured in items of change readiness, the statement "I clearly understand the change vision and direction the company needs to move" has the highest mean of 2.9771 whereas the statement "I believe that the proposed change will benefit the organization and us" has the lowest mean of 2.7257. Refer to the result above, employees' having low change readiness that normally will resist the changes to the program or area they work.

Based on the result in Table 4.15, it reveals that majority of the respondents that is a total of 45.4% disagree that they feels feel optimistic that the proposed change of the organization will be successful while only 25.9% of the respondents indicates neutral. Next, a majority of the respondents (44.9%) indicates agree that they look forward to be involved in changing the program or area in which they work whereas another 10.0% indicates that they are neutral with the statement. Others than that, there are 48.9% of respondents disagree that they will resist any changes to the program or area in which they work, but on the other hand, there are 10.3% of the respondents strongly agree with the statement. For the following statement which is the respondents are clearly understand the change vision and direction the company needs to move, majority of the respondents indicates agree with the statement (39.1%) while only a small portion of the respondents indicates strongly disagree (10.3%). Lastly, there are 34.3% of respondents agree that believe that the proposed change will benefit the organization and them, while there are 15.1% of respondents indicates neutral with the statement.

4.2 Scale Measurement

Table 4.16: Reliability Test

Variable	No. of item	Cronbach's Alpha	Ranking
Organisational Commitment	5	0.895	1
Communication	5	0.607	5
Leadership	5	0.778	4
Self-efficacy	5	0.887	2
Change Readiness	5	0.808	3

Source: Developed for the research

The Reliability test which is Cronbach's Alpha was used to measure the reliability of each construct. According to Zikmund (2010), a value of 0.60 or less generally indicates poor reliable. However, as shown in Table 4.16, the results revealed that the internal reliabilities of each constructs are exceeded the minimum of 0.60. Organisational commitment has the highest coefficient 0.895 falls under very good reliable range while the communication has the lowest coefficient 0.607 which is under moderate reliable range.

4.3 Inferential Analysis

According to Zikmund (2003), inferential analysis is the generalization from samples to populations, performing estimation and hypothesis testing, determining relations among variables and making prediction.

4.3.1 Pearson Correlation Coefficient

Pearson's correlation coefficient is one of the measurements used in measures of correlation which quantifies the strength as well as the direction of such relationship of one variable to another. It is a statistical measure of the co-variation or association between two variables X and Y, giving a value between +1 and -1 inclusive. Closer the coefficients are to +1.0 or -1.0, greater is the strength of the linear relationship and whether the relationship is positive or negative. No correlation is indicated if r equal to zero.

According to Hair, Babin, Money, Samouel (2003), correlation coefficient between ±0.00 to ±0.20 are considered "slightly almost neligible", ±0.21 to ±0.40 are "small but define relationship", ±0.41 to ±0.70 are "moderate", ±0.71 to ±0.90 are "high/strong" and ±0.91 to ±1.00 are considered "very strong".

The Pearson Correlation test is used to identify and describe the type of relationship between the variables in this research. The two tailed significance test is used because researchers are not making a directional prediction, which means there is not a specific prediction about the direction of the relationship between the variables researchers are correlating.

Table 4.17: Overview of Correlation of Independent Variables

Correlations

		OC	CO	LD	SE	CR
OC	Pearson Correlation	1	.409[**]	.448[**]	.360[**]	.604[**]
	Sig. (2-tailed)		.000	.000	.000	.000
	N	350	350	350	350	350
CO	Pearson Correlation	.409[**]	1	.737[**]	.641[**]	.376[**]
	Sig. (2-tailed)	.000		.000	.000	.000
	N	350	350	350	350	350
LD	Pearson Correlation	.448[**]	.737[**]	1	.753[**]	.465[**]
	Sig. (2-tailed)	.000	.000		.000	.000
	N	350	350	350	350	350
SE	Pearson Correlation	.360[**]	.641[**]	.753[**]	1	.623[**]
	Sig. (2-tailed)	.000	.000	.000		.000
	N	350	350	350	350	350
CR	Pearson Correlation	.604[**]	.376[**]	.465[**]	.623[**]	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	350	350	350	350	350

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for the research

4.3.1.1 Relationship between Organisational Commitment and Employees' Change Readiness

Table 4.18: Correlation Coefficient for Organisational Commitment

Correlations

		OC	CR
OC	Pearson Correlation	1	.604[**]
	Sig. (2-tailed)		.000
	N	350	350
CR	Pearson Correlation	.604[**]	1
	Sig. (2-tailed)	.000	
	N	350	350

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis 1:

H_0: There is no significant relationship between organisational commitment and employee change readiness.

H_1: There is a significant relationship between organisational commitment and employee change readiness.

In the Table 4.18 shows that there is a positive correlation between organisational commitment and employees' change readiness. It is because the value shown in the table for correlation coefficient is positive. Organisational commitment has a 0.604 correlation with the employees' change readiness. The relationship between organisational commitment and employees' change readiness is significance because p-value 0.000 is less than alpha value 0.01. When organisation provides higher commitment, employees' change readiness will be higher. From the

Hypothesis 1, p<0.01, then reject H0. As a result, organisational commitment and employees' change readiness has a moderate relationship which is in the range of $\pm$ 0.40 to $\pm$ 0.70.

4.3.1.2 Relationship between Communication and Employees' Change Readiness

Table 4.19: Correlation Coefficient for Communication

Correlations

		CO	CR
CO	Pearson Correlation	1	.376**
	Sig. (2-tailed)		.000
	N	350	350
CR	Pearson Correlation	.376**	1
	Sig. (2-tailed)	.000	
	N	350	350

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis 2:

H0: There is no significant relationship between communication and employee change readiness.

H1: There is a significant relationship between communication and employee change readiness.

In the Table 4.18 shows that there is a positive correlation between communication and employees' change readiness. It is because the value shown in the table for correlation coefficient is positive. Communication has a 0.376 correlation with the employees' change readiness. The relationship between communications and employees' change readiness is significance because p-value 0.000 is less than alpha value 0.01. When communication is strong within employee, the employees' change readiness will be higher. From the Hypothesis 1, p<0.01, then reject H_0. As a result, communication and employees' change readiness has an almost negligible or slight relationship which is in the range of $\pm$ 0.21 to $\pm$ 0.40.

4.3.1.3 Relationship between Leadership and Employees' Change Readiness

Table 4.20: Correlation Coefficient for Leadership

Correlations

		LD	CR
LD	Pearson Correlation	1	.465**
	Sig. (2-tailed)		.000
	N	350	350
CR	Pearson Correlation	.465**	1
	Sig. (2-tailed)	.000	
	N	350	350

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis 3:

H0: There is no significant relationship between leadership and employee change readiness.

H1: There is a significant relationship between leadership and employee change readiness.

This table shows that there is a positive correlation between leadership and employees' change readiness. This positive correlation coefficient (r=0.465) indicates that there is a statistically significant (p<0.01) linear relationship between these two variables. When there's stronger leadership, employees' change readiness will be higher. From the Hypothesis 1, p<0.01, then reject H0. As a result, leadership and employees' change readiness has a moderate relationship which is in the range of ± 0.40 to ± 0.70.

4.3.1.4 Relationship between Self-efficacy and Employees' Change Readiness

Table 4.21: Correlation Coefficient for Self-efficacy

Correlations

		SE	CR
SE	Pearson Correlation	1	.623**
	Sig. (2-tailed)		.000
	N	350	350
CR	Pearson Correlation	.623**	1
	Sig. (2-tailed)	.000	
	N	350	350

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis 4:

H0: There is no significant relationship between self-efficacy and employee change readiness.

H1: There is a significant relationship between self-efficacy and employee change readiness.

This table shows that there is a positive correlation between self-efficacy and employees' change readiness. This positive correlation coefficient (r=0.623) indicates that there is a statistically significant (p<0.01) linear relationship between these two variables. When employees have stronger self-efficacy, employees' change readiness will be higher. From the Hypothesis 1, p<0.01, then reject H0. As a result, employees self-efficacy

and employees' change readiness has a moderate relationship which is in the range of ± 0.40 to ± 0.70.

4.3.2 Multiple Regression Analysis

The regression model is an equation that is used to represent the best prediction of a dependent variable from a few independent variables. When the independent variables are correlated with one another and with the dependent variable, the multiple regression analysis is then used. The researchers are able to identify which independent variables (Organisational commitment, Communication, Leadership and Self-efficacy) are good determinates of employees change readiness through the regression analysis. Not only that, the regression analysis is also used to determine which variable has significant effect on employees change readiness.

4.3.2.1 Determinants of Employees' Change Readiness

The multiple regression analysis was conducted to examine the relationship between the dependent variable (change readiness) and independent variables (organisational commitment, communication, leadership and self-efficacy).

Table 4.22: Result of Multiple Regression Analysis for Employees' Change
Readiness

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.761[a]	.578	.574	.53830

a. Predictors: (Constant), SE, OC, CO, LD

Source: Developed for the research

(SE = Self-efficacy, CO = Communication, OC = Organisational Commitment, LD = Leadership, CR = Change Readiness)

Based on the Table 4.22, the result of the regression analysis shows 57.8% of the variance in employees' change readiness can be explained by the model (organisational commitment, communication, leadership and self-efficacy) where R square is 0.578. There are 42.2% of the variance in employees' change readiness could not be explained by the equation. Thus, this indicates that 57.8% of the variance in employees' change readiness are significant influenced by the four independent variables.

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	137.151	4	34.288	118.331	.000[a]
	Residual	99.968	345	.290		
	Total	237.120	349			

a. Predictors: (Constant), SE, OC, CO, LD

b. Dependent Variable: CR

Source: Developed for the research

(SE = Self-efficacy, CO = Communication, OC = Organisational Commitment, LD = Leadership, CR = Change Readiness)

The ANOVA table shows the F-ratio for the regression models. This statistic access the statistical significant of the overall regression model. The larger the F-ratio, the more variance in the dependent variable is explained by the independent variables. From the Table 4.23, F value is 118.331 which indicate the model is highly significant at the level 0.000 level, which is less than the level of 0.05.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	-.652	.125		-5.196	.000
	OC	.447	.036	.490	12.428	.000
	CO	-.204	.083	-.130	-2.445	.015
	LD	-.141	.066	-.134	-2.135	.033
	SE	.585	.050	.631	11.662	.000

a. Dependent Variable: CR

Source: Developed for the research

(SE = Self-efficacy, CO = Communication, OC = Organisational Commitment, LD = Leadership, CR = Change Readiness)

The multiple regressions model for this study as follow:

Equation:

Change Readiness = -0.652 + (0.447OC) + (-0.204CO) + (-0.141LD) + (0.585SE)

Where OC = Organisational Commitment

CO = Communication

LD = Leadership

SE = Self-efficacy

$r^2 = 0.578$

F = 118.331

N = 350

** Significant level at 0.05 level

The coefficient table shows that organisational commitment, communication, leadership and self-efficacy is significant to predict employees' change readiness. It is because p-value for organisational commitment (0.000), communication (0.015), leadership (0.033) and self-efficacy (0.000) is less than alpha value 0.05.

Moreover, self-efficacy is the predictor variables that contribute the highest to the variation of the dependent variable (change readiness) because Beta value (under standardized coefficients) for this predictor variable is the largest (0.631) if compare to other predictor variables. This means that self-efficacy make the strongest unique contribution to explain the variation in dependent variable (change readiness), when the variance explained by all other predictor variables in the model is controlled for. The following contribution is organisational commitment (0.490), leadership (-0.134) and lastly is communication (-0.130).

In a nutshell, organisational commitment, communication, leadership and self-efficacy are significant to employees' change readiness. Hence, H1, H2, H3 and H4 are supported by this multiple linear regression model.

4.4 Conclusion

In this chapter, respondent profiles have been analyzed by using the descriptive analyses. The data were measured on the central tendencies and dispersion on all four constructs. Besides, reliability test was used to examine the relation between the four constructs is high or strong.

Moreover, Pearson Correlation was used to examine the association between the four constructs and the dependent variable. The results show there is strong relationship between the four constructs (organisational commitment, leadership, self-efficacy and communication) and employees' change readiness. In additional, multiple regressions were used to analyze the relationship between the independent variables and the dependent variable. Furthermore, by referring to the table 4.22, H1, H2, H3 and H4 is supported by the multiple linear regression models.

CHAPTER 5: DISCUSSIONS OF MAJOR FINDING

5.0 Introduction

The pattern of results and analysis of results has been presented in Chapter 4. Therefore, this chapter is to summarize the statistics, analyze and discuss the relationship between the independent variables and the dependent variable. In addition, this chapter also will include the major findings and applications of the study. The following sections will provide some limitations that faced in this research and as well as several recommendations for future research.

5.1 Summary of Statistical Analysis

5.1.1 Respondent's Demographic Profile

In this research, it consists of 350 respondents towards the research questionnaires. After analyze the data, the result has shown that there is 64.9% of the total respondents are the male respondents which mean there are 227 out of 350 respondents are male and the remaining 35.1% which are 123 out of 350 respondents is the female respondents that to respond to the questionnaires.

Besides that, the majority of respondents have a age range between 20-29 years old which is 54.3%, 190 respondents and 40.6% of respondents (142 respondents) are below 19 years old. There are minority of respondents have a age range between 30-39 years old which is 5.1% (18 respondents out of 350 respondents).

For the race of the respondents, the data has shown that most of them are Malay which is 185 respondents, 52.9%. It followed by Indian and Chinese with 25.7% (90 respondents) and 21.4% (75 respondents) respectively.

The result has shown that the highest education level for most of the respondents is secondary level which is 314 respondents (89.7%). For the college and university level only contain 5.1% (18 respondents) for both.

Lastly, the result has revealed that 55.1% of the respondents are working in the current company less than 2 years while 39.7% work in the current company for 2 to 5 years. There is only 18 respondents work for 5 to 10 years in the current company.

5.1.2 Central Tendencies

The analysis revealed that five descriptive statistics of organisational commitment, the statement "This organisation has a great deal of personal meaning for me" has the highest mean of 3.1400 whereas the statement "I really feel as if the organisation's problems are my own" has the lowest mean of 2.4343. From this statistic, it can state that the majority of the respondents have the same opinion that the organisation has a great deal of their personal meaning, so they will try to commit with the organisation and ready for change.

Next, for communication, the statement 'the change incurred in my organization is necessary' has the highest mean of 3.4171 while the statement 'I am allowed to give my opinion about the change' has the lowest mean of 2.5314. With this statistic, it can state that the majority of the respondents feel that change is necessary for the current situation in the

organisation but the respondents feel that there is lack of chance for them to speak out their own opinion.

Other than that, regarding the leadership, the statement "My leadership team is committed to the success of the readiness to change" has the highest mean of 2.9200 but the statement "I believe that my local manager (leader) is committed to the success of the organisation readiness to change" has the lowest mean of 2.6029. Most of the respondents believe that their leadership team is committed to the success of the readiness of change; however there are only few respondents believe that the successful of the organisation readiness to change is committed by the local manager.

In the self-efficacy section, the statement "The management encourages us to share our ideas and suggestions before making the changes" has the highest mean of 3.1343. However, there are relatively low satisfactory scores mean is 2.9771 were found for "The management concern about our value". Based on the statistic, it has show that the management is encouraging the respondents to share their opinion but the management is less concern about the suggestion given by respondents. This means that change readiness will be higher if the management more concern about the value of the employees.

Under the descriptive statistic of change readiness, the statement "I clearly understand the change vision and direction the company needs to move" has the highest mean of 2.9771 whereas the statement "I believe that the proposed change will benefit the organization and us" has the lowest mean of 2.7257. Between these linkage, it can say that the respondents are clearly understand the organisation need to change but only minority of respondents believe that the changes will benefit the organisation and them. When the organisation change the proposed change which more benefit to the organisation and the employee, change readiness for the employee will be higher. It is because employees think that this will benefit then and

therefore, they will try to commit with the organisation's change. In this situation, there will be a win-win situation for both employee and organisation.

5.1.3 Scale Measurement

Based on Table 4.16, there are four independent variables and dependent variable were tested which are organisational commitment, communication, leadership and self-efficacy. Organisational commitment has the highest alpha coefficient 0.895 while communication has the lowest alpha coefficient 0.607. The other variables which are leadership and self-efficacy have the moderate alpha coefficient at 0.778 and 0.887 respectively. These four independent variables will be tested on the reliability whether the results obtain is reliable or not.

5.1.4 Inferential Analysis

5.1.4.1 Pearson Correlation Coefficient

Pearson Correlation Coefficient was utilized to determine the statistical measure of the co-variation or association between the four independent variables and dependent variable. According to the result, the test disclosed there are positive correlations among organisational commitment, communication, leadership and self-efficacy with employees' change readiness.

The constructs were statistically significant at $p<0.01$ level (two-tailed) for all the independent variable which are organisational commitment, communication, leadership and self-efficacy.

Between the four independent variables, self-efficacy is the strongest relationship with employees' change readiness where r is 0.604. This has confirmed that the self-efficacy is the important area to consider increasing the employees' change readiness. When the management proposed change which more concern about the employee value, the employees' change readiness will be increase because the employee feels that their need is fulfill and the employee will try to commit with the organisation. On behalf of that, the employees will also think that they will more valuable after change. In contrast, communication is the less important relationship among the four independent variables with employees' change readiness where the r is only 0.376.

5.1.4.2 Multiple Regression Analysis

The multiple regression analysis was conducted to examine the effect of the four independent variables which are organisational commitment, communication, leadership and self-efficacy toward employees' change readiness (dependent variable). Coefficient of determination (R Square) of the regression is 0.578, which indicate that 57.8% of the variance in employees' change readiness able be described by the regression. The regressions for each of the variable were organisational commitment (β= 0.490), communication (β= -0.130), leadership (β= -0.134) and self-efficacy (β= 0.631). The significant level for organisational commitment, communication, leadership and self-efficacy which F value is 118.331 that imply the model is significant at the level 0.000 levels are less than 0.05 level and H1, H2, H3 and H4 are supported by this multiple linear regression model. Hence, the regression equation can be expressed as:

Change Readiness = -0.652 + (0.447OC) + (-0.204CO) + (-0.141LD) + (0.585SE)

Where OC = Organisational Commitment

CO = Communication

LD = Leadership

SE = Self-efficacy

5.2 Discussion of Major Finding

In the Chapter 4, the major findings of the study will be discussed in three sections. The first section will provide an overview of the descriptive statistics of the study. After that, second section is the results of the scare measurement will be explored. Finally the last section is a table of our findings and each of the independent variable will be discussed based on the multiple regression from chapter 4 which will be supported by some researcher.

5.2.1 Descriptive Statistics

In the nature of the study, the descriptive statistics pertain to both the pre-test and the post –test conducted. In both instances, the descriptive statistics involved participants' gender, race, length of service and age. The sample size of this research consists of 350 individuals, which completed in the readiness to change and (self-efficacy, leadership, organizational commitment, communication).

5.2.2 Scale Measurement

As was indicated in Chapter 4, the relatively small sample size precluded the use of Cronbach's Alpha to variables analysis. Furthermore, an adapted approach was utilized, which is the theoretical variables of readiness to change and (self-efficacy, leadership, organizational

commitment, communication). The result for Organizational Commitment is ranked at the higher level, following by Self-efficacy, Leadership and lastly is Communication.

5.2.3 Inferential Statistics: Testing of the Four Hypothesis

Table 5.1: Summary of Hypothesis Testing

Hypotheses	Result	Relationship	Supported by Researcher
H1: There is no significant relationship between organisational commitment and employee change readiness.	B= -0.652 p= 0.000	Negative Relationship (p< 0.05)	Yes
H2 There is no significant relationship between communication and employee change readiness.	B= -0.447 p= 0.000	Negative Relationship (p< 0.05)	Yes
H3: There is no significant relationship between leadership and employee change readiness.	B= -0.204 p= 0.012	Negative Relationship (p> 0.05)	Yes
H4: There is no significant relationship between self-efficacy and employee change readiness.	B= -0.141 p= 0.027	Negative Relationship (p> 0.05)	Yes

The result in table 5.1 show the 4 hypotheses testing used to test the variables in the research. Multiple regression was used to examine whether the hypotheses is supported or not supported.

The relationship between organisational commitment and employee change readiness

Based on the table above, it shows that beta coefficient for Hypothesis 1 is 0.490 with the p-value of 0.000. This indicated that organisational commitment has a significant relationship with employee change readiness. Besides, job satisfaction has a negative influence on the employee change readiness. According Meyer and Allen (1991), there is always relationship between the employees' with the organization where employee change readiness will increase if their level of organisational commitment is low.

The relationship between communication and employee change readiness

The result stated that the beta of coefficient for Hypothesis 2 is -0.130 with p-value 0.015 which indicated that communication has a significant relationship with employee change readiness. The beta value also shows that communication negatively influenced employee change readiness. According to Roger (1987), stated that openness of communication and the success of the organization are related to each other, where openness communication will increases employee change readiness.

The relationship between leadership and employee change readiness

The result showed that the beta coefficient for Hypothesis 3 is -0.134 with p-value 0.033 which indicates that leadership has a significant relationship with employee change readiness. Furthermore, the beta value which is negative shows that leadership negatively influences employee change readiness. As stated in literature review, according to Yuki (2006), leadership had been classified into few types where it can directly or indirectly influence employee change readiness therefore; leadership has a negative relationship with employee change readiness.

The relationship between self-efficacy and employee change readiness

As stated in the result, the beta coefficient of Hypothesis 4 is -0.631 and p-value is 0.000, which is lower than 0.05. This indicates that there is significant relationships as the p-value is lower than 0.05. The negative value of beta proves that self-efficacy negatively influences employee change readiness. According to Bandura (1986), self- efficacy can affect employee change readiness in term of employee perceptions such as employee attitude or behaviour to cope with the changes in the organization. Thus self- efficacy has a negative relationship with employee change readiness.

5.3 Implications of the Study

5.3.1 Managerial Implications

After the collection and analysis of all the relevant information, we have found some useful knowledge that available for all organizations in the retailing industry. The research's results can provide us with useful information and guidelines in the aspect of understanding and identify the essential criterion towards improving employees' change readiness in organization and on the other hand solve the resistance to change that may occur. Employees' change readiness is influenced by several factors. With the reference of our relevant study, organizations in the retailing industry may have a better understanding or knowledge in this field. Besides that, it also help in future planning and in making strategic moves in order to improve employees' change readiness and reduce employees' resistance to change.

Employees' readiness to change has been proven to be an indicator in this study. Past researches have shown acknowledgement on the importance of employees readiness to change, it have become a key element understanding employees resistance to change. Employees' readiness to change can be affected by both internal and also external factor, in the current research, there are several variables found to be affecting employees' readiness to change such as organizational commitment, communication, leadership and employees' self-efficacy. By researching on how these factors affect employees' readiness to change, top management will have better knowledge and understanding on employees' readiness to change and therefore, planning to have a better organizational change.

In the current research, organizational commitment has great effect on employees' change readiness. Employees who are highly committed to the organization tend to have a higher change readiness. When employees are highly committed to the organization, they tend to feel like they are part of the organization and this make them more willing to give their best for the organization. Other than that, when employees are emotionally attach to the organization, they will feel stronger sense of belonging to the organization. Hence, when the company has proposed change on the organization, they will tend to have a higher readiness to change as they will think on behalf of the organization if the propose change is perceive beneficial to the origination. Thus, management in organization should take in consideration on increasing organizational commitment among their employees' to increase the employees' readiness to change and avoid resistance.

Communication is another important factor that determines employees' readiness to change. Employees would have a lower readiness to change when they are not sure or with less information about the future change that propose by the company and they will tend to resist it because they are

comfort with the current environment. Thus, communication plays an important role in increasing of employees' change readiness. An effective communication must fit with the criterion of accuracy of information, explanation for decisions, and openness. With a proper and effective communication skills the top management could provide better information and understanding of the propose change to the employees'. By using a good communication skills managerial role personnel, the employees' could understand more about the propose change and hence increase their readiness to change.

According to conducted survey, leadership plays an important role in determining employees' change readiness. Others than communication, leadership is another important element in order to make employees' ready towards the change or to increase their readiness to change. By performing this well, a good leadership needed as to build a solid trust from the employees' toward their leader. Thus, in order to build employee trust towards leader, the leader itself should make an effort in gaining trustworthiness among employees. This can enhance the cooperation between employees and leader in an organization during the process of carrying out a task for the purpose of achieving organization's goal. After establishing a trust relationship between the leader and employees, the leader may easily proceed by taking suitable steps in leading employees through the change process. Hence, by having a good leadership, the employees' readiness to change is able to increase.

In addition, employees' self-efficacy is also an indicator of employees' change readiness. According to Bandura, (1986), self-efficacy refers to the attitudes and behaviors of employee regarding to their confidence towards their ability to cope with any changes implemented in organization effectively, but this situation may also take place in a vice versa way. An employee with higher self-efficacy will commit more to the propose change when they belief they have sufficient ability to handle the

change and perceive the change will be beneficial to them. With their higher self-efficacy also drive them to self-motivating them self to commit toward the goals of the propose change. Thus, employees with higher self-efficacy will have higher readiness to change as they will commit more to the propose change. Organization should boost employee's confident level to form higher self-efficacy for the purpose to increase employees' readiness to change.

Hence, in order to increase the employees' change readiness, organizations should more focus on all the variables mentioned above in order to form better readiness to change. Other than providing physical support to the employees', organization should also take care of the employee's emotion and providing mental support to form higher readiness to change.

5.4 Limitations of the Study

During the research process, the researchers had encountered some limitations. The limitations are provided in order to help future researchers to be more in dept about this issue. Knowing the limitations of study is important for future researchers as this will help them easily cope with it.

The first limitation that the current researchers have encountered is when collecting primary data regarding to this matter. During the process, the respondents were reluctant to cooperate but making the data collection process rather hard. Some of the respondents may feel that they have been threatened as they are giving out their opinion about the company that they currently working at. Therefore, the data collection method is not so convenient and it consumes more time compared to the analysis part.

Next is the collection of secondary data. Researchers tend to look for information via internet in order to search for useful, reliable data done by past research. The

limitation of this collection method is that, not all the information wanted will be available in the internet. Some data collected may be outdated thus it will result in getting inaccurate data and not well structured. Furthermore, the information achieved may also be out of topic where it may not relate to the area of our research. The secondary data collection method is time consuming because it is not easy to obtain the correct information from the internet. Besides that, researchers cannot confirm that the information collected by them is the accurate ones. However, these limitations are solved with the help of supervisor.

Although this research has its limitations, it does not stop the motive of the research to achieve its goals. The researchers had make amendment to revise and replace the information that they found not satisfied to improve on the reliability or low relationship between variables which may be caused by low respondent collected. The project researchers believe that the limitations did not detract from significance of the findings. The purpose of acknowledging the limitations is to help future researches in their future research which is met very frequently by researchers.

5.5 Recommendation for Future Researcher

There are some recommendations for this area of research paper based on the limitations stated above. First of all, our group members think that future researchers should provide more points of view towards the issue on the internal forces of employee change readiness in order to assist readers to get a clearer picture on this matter such as, using the suggestions and opinions of past studies. Future researcher should find more information from other past studies to support the dependent and independent variable.

Apart from that, in our opinion, we also think that future researcher should distribute questionnaire and obtain more opinion from other retailer store instead of focusing on a retailer store which is Tesco. This is because we think that by

getting feedbacks solely from one retailer store may not be accurate since it is only depends on their style of management in changing their organization therefore, we suggest that, questionnaires should also distributed to other foreign as well as local retailer store such as Carrefour, Giant and so forth. By implement this method, future researcher may get a more accurate and reliable feedbacks on how employees think of changing the organization structure or culture. Furthermore, the results obtain can also give us the overall view and compare the management style of each of the retailer store, this will shows more accuracy in the result that is generated.

Other recommendations such as future researcher also can add in some theories into their research paper in order to observe the relationships between dependent variable and independent variable. Moreover, by adding in some theory readers have clearer information about this topic. Furthermore, adding in some theory also can support the relationship between dependent and independent variable.

In conclusion, recommendation for future researcher is, researcher should always put in their best effort and times in order to make the study more valuable and accurate.

5.6 Conclusion

This study was set out to test on the internal forces that influence the employee change readiness. Overall with the help of Cronbach's Alpha, in measuring the reliability of independent variable, our result was reliable and significance enough in determining each objective in our research whereby, the relationship between independent variable (organization commitment, leadership, self-efficacy, and communication) and dependent variable (employee readiness to change) was significance.

Besides that, in our research study emphasizes on several test to prove our reliability of our result. Such test that had been used is Pearson's correlation coefficient, Statistical Package for Social Science (SPSS), multiple regression analysis and others test as well in order to have an accurate result.

Furthermore, this research also has a clear explanation of our research purpose in chapter 1, research background and problem statement, where readers can easily found some idea of this study. Moreover, we also used past researcher to enhance and support our variable as well.

In summary, this research paper was contributes to the body of knowledge on this area, this is because there was other researchers study on this research of employee readiness to change. Thus, this will give an overall of an idea and information for the future researchers on enhancing on this area.

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UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE

BACHELOR OF BUSINESS ADMINISTRATION (HONS)

Internal Forces That Influence Employees' Change Readiness:

A Study on One Store Retailer in Malaysia

Dear respondents:

We are undergraduate students in Bachelor of Business Administration (HONS) from University Tunku Abdul Rahman (UTAR). We are currently conducting a survey entitled **"Internal Forces That Influence Employees' Change Readiness: A Study on One Store Retailer in Malaysia"** in order to complete our honours degree program.

The goal of this survey is to identify the significant relationship between organisational commitment, communication, leadership and self-efficiency toward employees' change readiness. The survey is to find out the forces affect employees' change readiness in the organisation.

The questionnaire consists of two sections. Section A is about personal data of respondents. Section B is about the forces that influence employees' change readiness in an organisation. Lastly, please read the instruction carefully before answering the questions. Thanks for your cooperation and willingness to answer the questionnaire. Your response is only for our research purpose and the information will be kept in private and confidential.

Research Project Team Members:

CHEONG KAH SENG	09ABB01542	jacky_freedom89@hotmail.com
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Section A: Respondent Background Information

In this section, please [✓] tick your answer accordingly.

1. Gender

   [   ] Male

   [   ] Female

2. Age group

   [   ] 19 years old or younger

   [   ] Between 20-29 years old

   [   ] Between 30-39 years old

   [   ] Between 40-49 years old

   [   ] Between 50-59 years old

   [   ] 60 years old or older

3. Race

   [   ] Malay

   [   ] Chinese

   [   ] Indian

   [   ] Others: _____

4. Highest Education Level

   [   ] Secondary Level

   [   ] College Level

   [   ] University Level

   [   ] Master Level

   [   ] Others: _____

5. Number of year working in current company

   [   ] Less than 2 years

   [   ] Between 2 – 5 years

[   ] Between 5 – 10 years

[   ] more than 10 years

Section B: Perception Question

These questions should be answered with reference to work related matters. Do not hesitate too long before you answer. The first answer that comes to mind is usually the most relevant one. Answer each question using the scale that follows:

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Organisational Commitment:

No.	Questions	SD	D	N	A	SA
1	I feel like I am "part of the family" in my organisation.	1	2	3	4	5
2	I would be very happy to spend the rest of my career with the organisation.	1	2	3	4	5
3	This organisation has a great deal of personal meaning for me.	1	2	3	4	5
4	I enjoy discussing my organisation with people outside of it.	1	2	3	4	5
5	I really feel as if the organisation's problems are my own.	1	2	3	4	5

Communication:

No.	Questions	SD	D	N	A	SA
1	The change incurred in my organization is necessary.	1	2	3	4	5
2	The management provides information to make me more understand about the change that they had implemented.	1	2	3	4	5
3	The change in my organization makes me feel unsecured about my future.	1	2	3	4	5
4	The top management communicates the change in an appealing way.	1	2	3	4	5
5	I am allowed to give my opinion about the change.	1	2	3	4	5

Leadership:

No.	Questions	SD	D	N	A	SA
1	My leadership team is committed to the success of the readiness to change.	1	2	3	4	5
2	My leadership team has the right people involved to make this change happen.	1	2	3	4	5
3	I believe that my local manager (leader) is committed to the success of the organisation readiness to change.	1	2	3	4	5
4	My manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change.	1	2	3	4	5

5	I'm able to support my manager (leader) through this change process.	1	2	3	4	5

Self-efficiency:

No.	Questions	SD	D	N	A	SA
1	The management gives me the opportunity to provide feedback about the changes.	1	2	3	4	5
2	The management concern about our value.	1	2	3	4	5
3	The management monitors employee satisfaction and makes changes when necessary to improve it.	1	2	3	4	5
4	The management encourages us to share our ideas and suggestions before making the changes.	1	2	3	4	5
5	The management cares about our perceptions or benefit before making any changes.	1	2	3	4	5

Change Readiness:

No.	Questions	SD	D	N	A	SA
1	I feel optimistic that the proposed change of the organization will be successful.	1	2	3	4	5
2	I look forward to be involved in changing the program or area in which I work.	1	2	3	4	5
3	I will resist any changes to the program or area in which I work.	1	2	3	4	5

| 4 | I clearly understand the change vision and direction the company needs to move. | 1 | 2 | 3 | 4 | 5 |
| 5 | I believe that the proposed change will benefit the organization and us. | 1 | 2 | 3 | 4 | 5 |

Thank You For Your Help To Complete This Survey

Your Time And Opinions Are Greatly And Deeply Appreciated

APPENDIX B– OUTPUT OF SPSS FOR DESCRIPTIVE ANALYSIS

Table 4.6: Descriptive Statistics of Organisational Commitment

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
I feel like I am "part of the family" in my organisation.	350	3.1343	1.28769	1.658	2
I would be very happy to spend the rest of my career with the organisation.	350	3.0886	0.99893	0.998	3
This organisation has a great deal of personal meaning for me.	350	3.1400	0.96373	0.929	1
I enjoy discussing my organisation with people outside of it.	350	3.0886	0.88970	0.792	3
I really feel as if the organisation's problems are my own.	350	2.4343	1.16046	1.347	5

Table 4.7: Results of Organisational Commitment

Category		N	Percentage (%)
I feel like I am "part of the family" in my organisation.	Strongly Disagree	54	15.4
	Disagree	71	20.3
	Neutral	35	10.0
	Agree	154	44.0
	Strongly Agree	36	10.3
	Total	350	100.0

Category		N	Percentage (%)
I would be very happy to spend the rest of my career with the organisation.	Strongly Disagree	18	5.1
	Disagree	106	30.3
	Neutral	53	15.1
	Agree	173	49.4
	Total	350	100.0

Category		N	Percentage (%)
This organisation has a great deal of personal meaning for me.	Disagree	124	35.4
	Neutral	70	20.0
	Agree	139	39.7
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I enjoy discussing my organisation with people outside of it.	Strongly Disagree	18	5.1
	Disagree	53	15.1
	Neutral	176	50.3
	Agree	86	24.6
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I really feel as if the organisation's problems are my own.	Strongly Disagree	89	25.4
	Disagree	106	30.3
	Neutral	86	24.6
	Agree	52	14.9
	Strongly Agree	17	4.9
	Total	350	100.0

Table 4.8: Descriptive Statistics of Communication

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
The change incurred in my organization is necessary.	350	3.4171	0.75908	0.576	1
The management provides information to make me more understand about the change that they had implemented.	350	2.9543	1.04246	1.087	2
The change in my organization makes me feel unsecured about my future.	350	2.8114	1.38716	1.924	4
The top management communicates the change in an appealing way.	350	2.8800	1.22411	1.498	3
I am allowed to give my opinion about the change.	350	2.5314	1.32548	1.757	5

Table 4.9: Results of Communication

Category		N	Percentage (%)
The change incurred in my organization is necessary.	Strongly Disagree	1	0.3
	Disagree	38	10.9
	Neutral	142	40.6
	Agree	152	43.4
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management provides information to make me more understand about the change that they had implemented.	Strongly Disagree	42	12.0
	Disagree	72	20.6
	Neutral	96	27.4
	Agree	140	40.0
	Total	350	100.0

Category		N	Percentage (%)
The change in my organization makes me feel unsecured about my future.	Strongly Disagree	90	25.7
	Disagree	71	20.3
	Neutral	38	10.9
	Agree	117	33.4
	Strongly Agree	34	9.7
	Total	350	100.0

Category		N	Percentage (%)
The top management communicates the change in an appealing way.	Strongly Disagree	71	20.3
	Disagree	55	15.7
	Neutral	86	24.6
	Agree	121	34.6
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I am allowed to give my opinion about the change.	Strongly Disagree	107	30.6
	Disagree	88	25.1
	Neutral	35	10.0
	Agree	102	29.1
	Strongly Agree	18	5.1
	Total	350	100.0

Table 4.10: Descriptive Statistics of Leadership

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
My leadership team is committed to the success of the readiness to change.	350	2.9200	0.92677	0.859	1
My leadership team has the right people involved to make this change happen.	350	2.6314	1.05637	1.116	4
I believe that my local manager (leader) is committed to the success of the organisation readiness to change.	350	2.6029	1.02098	1.042	5
My manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change.	350	2.7829	1.16724	1.362	3
I'm able to support my manager (leader) through this change process.	350	2.8543	1.19403	1.426	2

Table 4.11: Results of Leadership

Category		N	Percentage (%)
My leadership team is committed to the success of the readiness to change.	Strongly Disagree	8	2.3
	Disagree	141	40.3
	Neutral	72	20.6
	Agree	129	36.9
	Total	350	100.0

Category		N	Percentage (%)
My leadership team has the right people involved to make this change happen.	Strongly Disagree	35	10.0
	Disagree	178	50.9
	Neutral	18	5.1
	Agree	119	34.0
	Total	350	100.0

Category		N	Percentage (%)
I believe that my local manager (leader) is committed to the success of the organisation readiness to change.	Strongly Disagree	35	10.0
	Disagree	174	49.7
	Neutral	36	10.3
	Agree	105	30.0
	Total	350	100.0

Category		N	Percentage (%)
My manager (leader) helps me to understand how I can support and adapt to changes needed to implement readiness to change.	Strongly Disagree	54	15.4
	Disagree	105	30.0
	Neutral	71	20.3
	Agree	103	29.4
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I'm able to support my manager (leader) through this change process.	Strongly Disagree	50	14.3
	Disagree	108	30.9
	Neutral	55	15.7
	Agree	117	33.4
	Strongly Agree	20	5.7
	Total	350	100.0

Table 4.12: Descriptive Statistics of Self-efficacy

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
The management gives me the opportunity to provide feedback about the changes.	350	3.0857	1.09627	1.202	2
The management concern about our value.	350	2.9771	1.22978	1.512	5
The management monitors employee satisfaction and makes changes when necessary to improve it.	350	3.0314	0.97041	0.942	4
The management encourages us to share our ideas and suggestions before making the changes.	350	3.1343	1.06075	1.125	1
The management cares about our perceptions or benefit before making any changes.	350	3.0343	0.97179	0.944	3

Table 4.13: Results of Self-efficacy

Category		N	Percentage (%)
The management gives me the opportunity to provide feedback about the changes.	Strongly Disagree	36	10.3
	Disagree	88	25.1
	Neutral	36	10.3
	Agree	190	54.3
	Total	350	100.0

Category		N	Percentage (%)
The management concern about our value.	Strongly Disagree	54	15.4
	Disagree	89	25.4
	Neutral	35	10.0
	Agree	155	44.3
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management monitors employee satisfaction and makes changes when necessary to improve it.	Disagree	142	40.6
	Neutral	72	20.6
	Agree	119	34.0
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
The management encourages us to share our ideas and suggestions before making the changes.	Strongly Disagree	36	10.3
	Disagree	34	9.7
	Neutral	161	46.0
	Agree	85	24.3
	Strongly Agree	34	9.7
	Total	350	100.0

Category		N	Percentage (%)
The management cares about our perceptions or benefit before making any changes.	Strongly Disagree	18	5.1
	Disagree	88	25.1
	Neutral	125	35.7
	Agree	102	29.1
	Strongly Agree	17	4.9
	Total	350	100.0

Table 4.14: Descriptive Statistics of Change Readiness

Statement	N	Mean	Standard Deviation	Variance	Ranking (Mean)
I feel optimistic that the proposed change of the organization will be successful.	350	2.8429	0.85371	0.729	4
I look forward to be involved in changing the program or area in which I work.	350	2.8943	1.09582	1.201	2
I will resist any changes to the program or area in which I work.	350	2.8743	1.02192	1.044	3
I clearly understand the change vision and direction the company needs to move.	350	2.9771	1.14283	1.306	1
I believe that the proposed change will benefit the organization and us.	350	2.7257	1.30205	1.695	5

Table 4.15: Results of Change Readiness

Category		N	Percentage (%)
I feel optimistic that the proposed change of the organization will be successful.	Disagree	159	45.4
	Neutral	87	24.9
	Agree	104	29.7
	Total	350	100.0

Category		N	Percentage (%)
I look forward to be involved in changing the program or area in which I work.	Strongly Disagree	36	10.3
	Disagree	122	34.9
	Neutral	35	10.0
	Agree	157	44.9
	Total	350	100.0

Category		N	Percentage (%)
I will resist any changes to the program or area in which I work.	Disagree	171	48.9
	Neutral	88	25.1
	Agree	55	15.7
	Strongly Agree	36	10.3
	Total	350	100.0

Category		N	Percentage (%)
I clearly understand the change vision and direction the company needs to move.	Strongly Disagree	36	10.3
	Disagree	107	30.6
	Neutral	53	15.1
	Agree	137	39.1
	Strongly Agree	17	4.9
	Total	350	100.0

Category		N	Percentage (%)
I believe that the proposed change will benefit the organization and us.	Strongly Disagree	90	25.7
	Disagree	70	20.0
	Neutral	53	15.1
	Agree	120	34.3
	Strongly Agree	17	4.9
	Total	350	100.0

APPENDIX C- OUTPUT OF SPSS FOR RELIABILITY TEST

(Real Study of 350 Questionnaires)

Organisational Commitment

Case Processing Summary

		N	%
Cases	Valid	350	100.0
	Excluded[a]	0	.0
	Total	350	100.0

a. Listwise deletion based on all

variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.895	.902	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.8857	20.165	4.49050	5

Communication

Case Processing Summary

		N	%
Cases	Valid	350	100.0
	Excluded[a]	0	.0
	Total	350	100.0

a. Listwise deletion based on all

variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.607	.616	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.5943	13.302	3.64719	5

Leadership

Case Processing Summary

		N	%
Cases	Valid	350	100.0
	Excluded[a]	0	.0
	Total	350	100.0

a. Listwise deletion based on all

variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.778	.771	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.7914	15.369	3.92033	5

Self-efficacy

Case Processing Summary

		N	%
Cases	Valid	350	100.0
	Excluded[a]	0	.0
	Total	350	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.887	.889	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.2629	19.730	4.44186	5

Change Readiness

Case Processing Summary

		N	%
Cases	Valid	350	100.0
	Excluded[a]	0	.0
	Total	350	100.0

a. Listwise deletion based on all

variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.808	.811	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.5771	16.892	4.11003	5

Table 4.16: Reliability Test

Variable	No. of item	Cronbach's Alpha
Organisational Commitment	5	0.895
Communication	5	0.607
Leadership	5	0.778
Self-efficacy	5	0.887
Change Readiness	5	0.808

APPENDIX D- OUTPUT OF SPSS FOR RELIABILIRY TEST (PILOT TEST)

Organisational Commitment

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded[a]	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.866	.872	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.0857	17.257	4.15417	5

Communication

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded[a]	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.639	.641	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.6571	15.114	3.88771	5

Leadership

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded[a]	0	.0
	Total	35	100.0

a. Listwise deletion based on all

variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.787	.780	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.2857	15.916	3.98948	5

Self-efficacy

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded[a]	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.893	.894	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.6857	20.810	4.56181	5

Change Readiness

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded[a]	0	.0
	Total	35	100.0

a. Listwise deletion based on all
variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.626	.596	5

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.3714	9.358	3.05908	5

Pilot Test

Variable	No. of item	Cronbach's Alpha
Organisational Commitment	5	0.866
Communication	5	0.639
Leadership	5	0.787
Self-efficacy	5	0.893
Change Readiness	5	0.626