MANAGEMENT OF CHANGE IN THE INFORMATION TECHNOLOGY SERVICES ORGANISATIONS

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ABSTRACT

The Information Technology (IT) industry undergoes many changes in recent times. To sustain in the changing environment, it is necessary to identify the changes and manage the changes. This study was undertaken to explore change management in IT services organisations. The results indicate that before evaluating the change efforts in the organisation it is important to consider the timely decision, self-interest, recognition of employees, and altering the organisational structure.

Keywords: Change efforts, change implementation, evaluating the change

INTRODUCTION

Information Technology (IT) industry plays an important role in developing the Indian economy. The establishment of institutions such as National Association of Software and Services Companies (NASSCOM), Software Technology Parks of India (STPI), and Electronic and Computer Software Export Council (ESC) facilitate India to maintain its position among the worldwide competitors. The Indian IT industry is broadly classified into four segments namely, IT Services (ITS), Business Process Management (BPM), Engineering and R&D (ER&D), and Software Products (SPD) (NASSCOM, 2013). The IT organisations undergo many changes due to economic uncertainty, political changeover, inflation, and technological advancement. These changes often affect IT organisations adversely and result in cost reduction, unemployment, and company shutdown.

OBJECTIVE

The specific objective of this study is to explore the impact of managing change dimensions on evaluating the change effort.

HYPOTHESIS

To address the objective of the study the following hypothesis was framed and tested:

> *Hypothesis 1:* There is a positive impact of individual response to change, general nature of change, planning change, managing the people side of change, managing the organisational side of change on evaluating the change effort.

METHOD

The questionnaire was developed based on the dimensions of the Managing Change Model (Church, Waclawski & Burke, 1996). The Managing Change Questionnaire (MCQ)

was developed by W. Warner Burke Associates, Inc., Organisation Consultants, New York. The questionnaire was administrated to the IT services employees from select companies in Chennai city. The list of the top 20 players in the IT services industry from the 'NASSCOM Industry Ranking' was collected. Out of which the top five companies Tata Consultancy Services, Infosys, Wipro, HCL Technologies, and Tech Mahindra were chosen for the study. Overall 400 employees from these companies constitute the sample for this study. The judgement sampling technique was used to select the respondents from the IT services companies.

Figure 1

The Managing Change Model
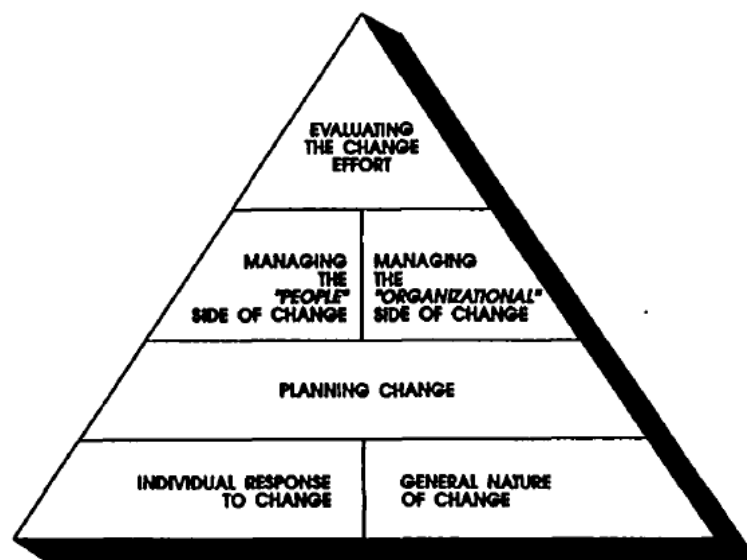
Adapted From "OD Practitioners as Facilitators of Change", by Allan H. Church, Janine Waclawski, and W. Warner Burke, 1996, *Group & Organization Management,* 21(1), p. 33. Adapted with permission.

RESULT

Impact of Managing Change Dimensions

The impact of managing change dimensions on evaluating the change effort was examined using regression. The adjusted R square value shows that the regression model describes 55 per cent of the variance in evaluating the change effort. This variance is caused by the other dimensions such as individual response to change, general nature of change, planning change, managing the people side of change, and managing the organisational side of change with $F(5,394) = 96.56$, $p < .001$.

The standardized beta for the general nature of change $\beta = .15$, $p = .006$, planning change $\beta = .16$, $p = .008$, managing the people side of change $\beta = .12$, $p = .022$, and managing the organisational side of change $\beta = .37$, $p < .001$ indicate that the impact of these dimensions towards evaluating the change effort. Thus, the results of the regression analysis support Hypothesis 1.

Table 1

Impact of Managing Change Dimensions on Evaluating the Change Effort

Independent Variable	β	SE	t	p	R^2
Individual Response to Change	.04	0.05	0.84	.404	
General Nature of Change	.15	0.06	2.77	.006	
Planning Change	.16	0.07	2.66	.008	
Managing the People Side of Change	.12	0.06	2.31	.022	
Managing the Organisational Side of Change	.37	0.06	6.78	<.001	
F(5, 394)				<.001[a]	.55

a. Predictors: (Constant), Individual Response to Change, General Nature of Change, Planning Change, Managing the People Side of Change, Managing the Organisational Side of Change
Dependent Variable: Evaluating the Change Effort

DISCUSSION

The regression model proves that the dimensions general nature of change, planning change, managing the people side of change, and managing the organisational side of change has a positive impact on evaluating change efforts in IT services organisations. Before evaluating the change efforts in the organisation it is essential to consider the timely decision, communication, and comforts (general nature of change), self-interest, formal meetings, and benefits created by the change (planning change), communication, providing more information, and recognition of employees (managing the people side of change), considering the subsystems, altering the organisational structure, and behaviour of employees (managing the organisational side of change).

CONCLUSION

In conclusion, the study showed the impact of managing change dimensions on evaluating change effort in IT services organisations. Future research can be carried out in the other segments of the IT industry such as Business Process Management (BPM), Engineering and R&D (ER&D), and Software Products (SPD) and in the public sectors.

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