

**COPING WITH ORGANISATIONAL CHANGE IN AN
INDONESIAN STATE-OWNED ENTERPRISE: THE
ROLE OF PERSONALITY TRAITS AND EMOTIONAL
INTELLIGENCE**

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ABSTRACT

Recently, more researchers have begun to examine coping behaviour on the individual level during organisational change. This study explores the effects that emotional intelligence and personality traits might have on coping behaviour of state-owned enterprise employees during a period of organisational change. In particular, the present study (1) explores the concept of organisational change in an Indonesian state-owned enterprise, (2) creates an appropriate scale for coping with organisational change, (3) explores whether personality traits correlate with employees' coping behaviour during organisational change, (4) explores whether emotional intelligence correlates with employees' coping behaviour during organisational change, (5) explores whether age, gender, and tenure have moderating effects on the roles of personality traits and emotional intelligence in coping with organisational change. Conceptual frameworks were developed in line with the concepts of organisational change, coping, state-owned enterprise, personality traits, and emotional intelligence. SPSS was employed to test the proposed hypotheses. Data were collected from 300 employees of an Indonesian state-owned enterprise. The study revealed that: (1) individual coping occurred regardless of whether or not organisational change was common or was expected, (2) five main coping strategies of, resistance, problem solving, self-blame, avoidance, and obtaining information, were used to develop a Coping with Organisational Change Scale (COCS), (3) extraversion, emotional intelligence, and rank were significantly correlated with problem solving, (4) agreeableness was significantly correlated with self-blame, and (5) there were no moderating effects of age, gender,

and tenure in coping with organisational change. The implications of these findings are discussed in terms of the existing literature on coping with organisational change, and the fundamental conceptual framework set out at the beginning of this research could shape the direction for future research on the construct of coping with organisational change.

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Chapter 1: Introduction

1.1 Background of the Study

In general, organisational change may include almost anything that is defined as a change in an organisation, be it new ways of managing the organisation or organisational restructuring (Dawson, 1994).

What triggers change? It can be internal as well as external. Some refer to organisational change as a way of “disorganising pressure”. The experience of pressure by an organisation is often an indicator that change, whether internal or external, is about to take place. External factors of change may include technology development, new legislation introduced by government, economic conditions or even a change in customers’ tastes. Internal factors, on the other hand, may be characterised by organisational restructuring, such as the introduction of a new senior manager or top management team which can lead to changes in performance and morale, the physical relocation of work or inadequate training to perform a new set of skills. All these factors can ‘pressure’ an organisation to change, especially when current systems and processes fail to meet the organisation’s needs.

Over the years, a lot of frameworks and definitions have emerged to explain the concept of organisational change. Change is varied and often seen as unique to the organisation. Hence, researchers often resort to case studies to describe and answer questions about organisational change. There are a lot of reasons why organisations choose to change. In a fast moving global environment, organisations have to adapt to

the changing environment in order to survive. Nowadays, competition is intensifying. The development of new products, advancements in information communication technology, the increase of new emerging markets and ever-changing economic and cultural frameworks have all contributed to intensified competition. Hence, organisations are forced to change with the times because increased competition often leads to changes in consumer preferences amidst the backdrop of a constantly shifting socio-political context.

Some might choose not to change, but evidence suggests that resistance to change rarely yields a positive result. Motorola, for example, was the first company to introduce mobile phones to the market in 1973 (Motorola Inc, 2012). The first mobile phone prototype was about two pounds in weight and 9 x 5 x 1.75 inches in size. However, despite being the first company to mass produce mobile phones, Motorola no longer enjoys majority control of the mobile phone market. The company eventually split into two in 2008, with the Motorola Mobile Devices division responsible for its mobile phone production. Because Motorola Mobile was slow to embrace new technology, other companies who readily embraced new advancements in technology, such as Nokia and Samsung, managed to surpass Motorola. As Motorola's market share continued to fall, and the company's failure to enter the global smart phone market, in January 2011, the division announced that it had become an independent company, announcing new Motorola Droid products the next day. These products were the first phones with Dual-Core Processor and 1 gigabyte of RAM. Finally, only after embracing changes in technological developments, Motorola managed to claw its way back into the market. Even more, in November 2011, Motorola announced that it was to be

acquired by Google Inc in an effort to protect the viability of its Android operating system (Motorola Mobility Inc, 2011).

The Motorola case shows how organisations cope with change, and as is the case with most case studies on organisational change, change is discussed at the level of the organisation and not the individual. Coping is a commonly used term in everyday life. Its usage varies widely and often depends on the context in which it is used. According to Lazarus (1993), coping is usually seen as a process or the necessary steps taken to manage threats. The process can occur in different ways, depending on the context or situation. On the other hand, some believe that process means “the most healthy and developmentally advanced process of adaptation, defence as a neurotic-process, and ego-failure as the most severely regressed and perhaps psychotic adaptive process” (Lazarus, 1993, p. 235).

Among studies that have actually focussed on factors that affect the way an individual copes with change, the most common variables investigated are marital status, gender, family related events and level of income. The paucity of research on factors internal and unique to the individual has served as an impetus for the present research as one cannot ignore the role of individual factors in coping with organisational change (Strebel, 1996).

This research focuses on the role of emotional intelligence and personality traits, along with some of the previously mentioned variables as moderators, in coping with change. The main drive for studying these two aspects of an individual is to understand the psychological reasons why an individual might cope with change in the way that he/she might. Majority of studies on coping in the past have concentrated on

health issues, especially stress-related outcomes (Lazarus, 1993; Carver & Scheier, 1986; Folkman et al, 1986), while it is only recently that individual differences are being discussed in a general organisational context (Aspinwall & Taylor, 1992; Kumar & Kamalanabhan, 2005; Chamorro-Premuzic, 2007).

Organisational change initiatives tend to fail because organisations tend to treat person-oriented issues as less important. Organisational change takes a great deal of effort, yet about 70% of change programmes have failed (Beer and Nohria, 2000). Strelbel (1996) argues that despite the fact that organisations are aware of the problems, and devise solutions to overcome them, they often do not realise that support from their employees is missing. Equally, “the importance of developing individuals in order to cope with change successfully” is key to the success of any change intervention Vakola et al (2004, p. 104).

An individuals’ ability to cope would usually depend on whether they treat change as a threat or benefit (Lau & Woodman, 1995). Vakola and Nikolaou (2005) mentioned that different individuals have different mind-sets about change because of their different schemas, which in turn, determine their reaction towards change. Similarly, the role of an individual’s personality is just as important. Together, they “affect the individual’s ability to cope with sources and outcomes of stress and the individual’s perception of the change event” (Vakola & Nikolaou, 2005 p. 165). Vakola and Nikolaou’s comments about the relative lack of research on potential individual-level moderators of the coping process amidst an ever changing socio-political and economic environment, brings to the fore the gap in our knowledge about coping with organisational change. It is precisely this gap that the present research seeks to address.

State-owned enterprises have played a substantial role in the Indonesian economy, bringing in most of the country's revenue since its introduction in 1966 (Hill, 1992; Atmojo, 2012). Some state-owned enterprises have failed along the way but many have shown great potential and excellent performance (Hill, 1992). Although these enterprises operate mostly on their own, and without funding from the national budget (Dick, 1977; Hill, 1992), leadership roles within such enterprises are heavily influenced by political change in the country. Such enterprises are forced to change in order to adapt to a range of external as well as internal factors. The present research was carried out in the context of Indonesian state-owned enterprises, where organisational change is a regular occurrence. Management team of Indonesian state-owned enterprises normally change every five years, depending on the current ruling government (McLeod, 2000; Langit, 2002).

1.2 Introduction to main problem

Recently, more researchers have begun to examine coping behaviour in organisational change (Vakola, Tsaousis, & Nikalaou, 2004; George and Jones, 2001; Bar-on, 1997; Huy, 1999; Fournier, 1999). Early research on coping in organisations was primarily concentrated on work-related stress (Lazarus & Folkman, 1984), but current trends indicate that many researchers are also interested in other variables that affect coping, such as emotional intelligence (Jordan, 2005; Noorbakshs, Besharat, & Zarei, 2010) and personality traits (Vakola, Tsaousis, & Nikalaou, 2004; Kumar & Kamalanabhan, 2005; Connor-Smith & Flachsbart, 2007; McRae & Widiger, 1994; Watson & Clark, 1997).

Noorbakhsh, Besharat, and Zarei (2010), for example, suggest that those with higher levels of emotional intelligence are known to be better at coping with stressful environments, while those with lower levels of emotional intelligence approach stressful environments or situations in a less effective way. Personality traits on the other hand, have been shown to be correlated with the effectiveness of one's coping strategies (Vakola, Tsaousis, & Nikalaou, 2004).

The bureaucratic form of leadership which often characterises Indonesian state-owned enterprises inevitably influences the ways in which such organisations operate (Atmojo, 2012). Indonesian state-owned enterprises also face constant changes to the composition of their board of directors every five years following an election cycle. Such changes are often decided by the Ministry of State-Owned Enterprise. These changes were preceded by changes to Indonesia's constitution, where an elected head of state can only hold office for a maximum of two terms or ten years or less (Aglionby, 2002). Changes in government typically lead to changes in ministerial appointments, including that of the Ministry of State-Owned Enterprises. Due to the bureaucratic nature of leadership in Indonesian state-owned enterprises, organisational procedures and culture have a propensity to change alongside changes in their top management.

As organisational change unavoidably becomes a common occurrence in most Indonesian state-owned enterprises, employees have to constantly adapt to new procedures, new leadership styles, or unexpectedly relocate (Haslan, Richards, & Ramos, 2014). These constant changes beg the question on whether emotional intelligence and personality traits have a role in employees' coping strategy.

1.3 Objectives of the study

The present research explores the effects that emotional intelligence and personality traits might have on the coping behaviour of state-owned enterprise employees, during a period of organisational change. The bureaucratic nature of state-owned enterprise, where paternalism dominates, often influences the way an organisation operates (Atmojo, 2012). As existing coping scales do not take into account paternalism and the Indonesian culture in general, an appropriate scale was designed to accurately capture employees' coping behaviours.

The study was divided into three different stages. In stage 1, which took place at the beginning of organisational change, employees' personality traits and emotional intelligence were measured. Volunteers from the participants in stage 1 were then interviewed in stage 2 to extract information on their most commonly adopted coping strategies. Stage 2 took place about six months after the first stage. A scale on coping behaviour was then developed from analyses of the interviews. At the end of the year (stage 3), participants were administered the coping measure.

By using three different stages at three different periods, the study provides an accurate picture of the effects of personality traits and emotional intelligence on coping behaviours. The one-year time span of data collection allowed for observation of how different personalities and different emotional intelligence cope with new leadership. Along with these main objectives, this study also looked into the moderating effects of age, gender, and tenure/position on the coping behaviour of employees.

In summary, this study aims to answer the following questions:

1. Are personality traits correlated to employees' coping behaviour in organisational change?
2. Is emotional intelligence correlated to employees' coping behaviour in organisational change?
3. Do (a) age, (b) gender, and (c) tenure have moderating effects on personality traits and emotional intelligence role in coping with organisational change?

The rationale behind these questions is discussed in the literature review and conceptual frameworks of personality traits, emotional intelligence, coping, and organisational change are explored in depth.

1.4 Dissertation Overview

This dissertation consists of ten chapters: an introductory chapter, a chapter on the main literature review, a methodology chapter, four empirical chapters, and a chapter on discussion and study implications and limitations.

Chapter 2 explores the literature review that this study is based on. Each main variable under investigation, specifically organisational change, coping, emotional intelligence, and personality traits, are discussed individually in this chapter. The chapter includes early and current theories of each of these variables.

Chapter 3 discusses the conceptual framework for the study. The first section explores the concept of organisational change and coping, while the other sections look

into the relationship between emotional intelligence and personality traits in coping with organisational change.

Chapter 4 is an in-depth introduction of state-owned enterprises. It elaborates on the nature of state-owned enterprises in general and the Indonesian context in particular, with a more specific discussion about the company where the current study was conducted.

Chapter 5 outlines the methodologies adopted in this study. The chapter includes discussions of the scales used: the International Personality Item Pool and Wong & Law Emotional Intelligence Scale. It also outlines the study's strategy for selecting participants, pilot work, and the three different stages involved.

Chapter 6 is the first empirical chapter of the dissertation. This chapter explores the context of organisational change in which the study was conducted. Some results from observations and stage 2 (interviews) are discussed in this chapter to give the study a better organisational background. Prominent changes that participants noticed or perceived as important are outlined in this chapter.

Chapter 7 is the second empirical chapter where the analyses of interviews conducted in Stage 2 are presented. Themes identified from this qualitative research are presented here. Results from this chapter were then used to create a coping scale that is more relevant to the context of the study. Scale development and pilot work are discussed in chapter 8 (third empirical chapter).

Chapter 8 is the third empirical chapter. A development of the coping behaviour scale based on organisational change context is elaborated in this chapter.

The chapter focuses on items created based on the results of interviews outlined in chapter 7. The pilot and factor analysis of the scale are also discussed in this chapter.

The final empirical chapter (chapter 9) outlines the quantitative results of the research. It outlines the exploration of relationships between the variables, consisting of correlation results and a hierarchical regression result. The chapter provides answers to the questions that this study has raised. It also includes analyses of the potential moderating effects of age, gender, and tenure/position.

Chapter 10 discusses the results found in the four empirical chapters and explores the answers to the research questions that are outlined in chapter 3. This chapter also discusses the implications and limitations of the study, as well future research opportunities based on this study.

Chapter 2: Literature Review

2.1 Chapter Overview

This chapter explores the fields that are relevant to this study. The sections are divided into Organisational Change, Coping, and Individual Differences. Each of these fields will be defined and discussed accordingly.

2.2 Organisational Change

In general, organisational change may include almost anything that can be defined as a change in an organisation, be it new ways of managing organisations or restructuring organisations (Dawson, 2003). According to early research on organisational change, change occurs due to either internal or external reasons or contexts as a way of disorganising pressure (Pettigrew, 1985). Be it external or internal, pressure that organisations experience is a sign that a change needs to take place. External factors can include technology development, new legislation by the government, economic conditions or even a change in customers' tastes (Dawson, 2003; Pettigrew, 1985). Internal factors include features such as restructuring, where there is new senior manager or top management team, low performance and morale, physical relocation or inadequate skills. All these factors will pressure organisation, as the current system very often tends to be unfit (Dawson, 2003).

Over the years there have been a lot of frameworks and definitions be introduced to explain the context of organisational change. Change is varied,

depending on the organisation and very often, researchers use case studies to answer questions on organisational change or what some refer to as *the study of organisations*. Studies on organisational change have transformed over the years from historical to theoretical which embrace continuity and the context in which action happens (Greenwood & Hinings, 1996; Orlikowski, 1996; Pettigrew, Woodman, & Cameron, 2001). That being said, there are still many more aspects of organisational change that need to be understood– such as its temporal context and spatial context (Pettigrew, Woodman, & Cameron, 2001). The following section will explore early theories and models of change.

2.2.1 Early Organisational Change Theories

The term 'organisation' has conflicting definitions and many researchers have identified it as either an entity or a process (Tsoukas & Chia 2002). Early work on organisational change treat organisations as *things* that are continually changing – treating change as a process that will constantly happen to restructure organisations (Hannan & Freeman, 1977; March, 1981; Freeman & Hannan, 1983). Several early literatures commonly mention three broad points of view on organisational change – population ecology theory (Hannan & Freeman, 1977; Freeman & Hannan, 1983; McKelvey 1982), contingency theory (Thompson, 1967; Lawrence & Lorch, 1967; Dawson, 2003), and random transformation theory (March & Olsen, 1976; March, 1981).

2.2.1.1 Population Ecology Theory

In population ecology theory, organisational structure is a final product of the replacement of old organisational forms with new ones – almost like the process of natural selection (Hannan & Freeman, 1977; Freeman & Hannan, 1983; McKelvey 1982). Organisational change develops inertia and change fragment of this theory, where in order for organisations to be classified as reliable and accountable, they have to be able to survive and the change process itself is very often disruptive (Hannan & Freeman, 1977). Much like an ecological process, mortality rates play a role in this theory. High inertia levels and unsettling change processes will increase an organisation's mortality rate until it becomes unlikely for the organisation to be able to replace its old form and is forced to replace it with a new one– disrupting the organisational structure as a whole (Hannan & Freeman, 1977; Hannan & Freeman, 1986; Hannan, Polos, & Carroll, 2007). According to population ecology theory, organisational change may fail because of its structural inertia (Hannan & Freeman, 1977).

2.2.1.2 Contingency Approach to Change Implementation

On the surface, the contingency approach is based on a theory where an organisation has to recognise its need to adapt to change, especially business environments that are constantly in flux (Dawson, 2003). In order to achieve the best possible plan for change, an organisation has to consider contextual factors and structural variables. To put it simply, there is no such thing as one single framework or approach that can be used by an organisation to implement change. Contextual factors

and structural variables wherein change is being implemented (variables should include those before *and* during the change itself) will determine the best approach to be used. In a Marriot Hotel case (Munck, 2001) observed that by personally implementing cultural change and demonstrating the change to employees rather than forcing them worked best for the company. Munck (2001) introduced a six-month pilot program at the hotel to promote better work-life balance while sustaining high quality customer service by eliminating unnecessary procedures and meetings, or any variable that made his employees work excessive hours. This approach, however, might not work well in other companies with different contextual factors and structural variables. Dunphy and Stace (1990) suggest that what may be appropriate does not depend on the change itself or what the organisation needs, but it depends on the change agents.

2.2.1.3 Random Transformation Theory

March and Olsen (1976)'s random transformation theory described organisational change as a result of endogenous processes which can be accompanied by an organisation's leader's desire to change or when the environment itself requires change. The theory was developed in a political context where external factors demand changes from within in order to adapt and survive in the new environment as "change and stability are linked to definitions and redefinitions of the self and the situation" (March & Olsen, 1998, p. 959). Because such change is effected by leaders' desires and the environment, there is often a bias for change in organisations that strive to adapt and survive. Change is a risky process, resulting in poor outcomes when not implemented cautiously – thus the reliability of 'successful' or 'failed' change will

determine the stability of the organisation (Cyert & March, 1963; O'Neill & Lenn, 1995). As a phenomenon, organisational change tends to trigger a variety of responses, ranging from positive, such as creativity and excitement, to negative, such as anger, resentment, or anxiety (O'Neill & Lenn, 1995).

2.2.2 Current Approaches to Organisational Change Management

It is fairly established that organisations will continue to experience change and that it has become a feature that makes an organisation (Burnes, 2004; Rieley & Clarkson, 2001). Change is very often unpredictable, requires responsiveness, specificity, and is usually caused by crisis or conflict (Burnes, 2004; De Wit & Meyer, 2005; Luecke, 2003).

There is no agreement on a single organisational change framework. Different authors have different opinions regarding this aspect (Todnem, 2005; De Wit & Meyer, 2005; Luecke, 2003). Most, however, agree that the pace of change has greatly increased and that change is usually caused by internal or external factors that affect all kinds of organisations in all kinds of industries (Todnem, 2005; Burnes, 2004; De Wit & Meyer, 2005; Luecke, 2003). This section will explore some of recent models of change that have been introduced in this field by many authors.

2.2.2.1 Change Characterised by Number of Occurrence

Due to its fast-moving nature of change, change is now often classified into different types based on an organisation's ability to continuously adjust and modify its organisation (Bunes, 2004). Some researchers however, do not agree on the feasibility of constant change creating an environment that encourages more effective and efficient performance (Rieley & Clarkson, 2001), unless it becomes routine (Luecke, 2003). Considering these different beliefs, change is then divided into five types: discontinuous change, incremental change, bumpy incremental change, continuous change, and bumpy continuous change (Todnem, 2005).

Discontinuous change is defined as change that is manifested by a fast moving shift in any organisational component such as strategy, culture, or even organisational structure (Grundy, 1993). Discontinuous change is often a one-time occurrence where change occurs due to severe internal problems or pressing external distress (Senior, 2002). To adjust with discontinuous change, organisations may have to introduce a major shift in its structure or management system, where the organisational change process often takes a long time to implement and requires moving away from previous incentives to new ones (Luecke, 2003). Due to the one-time nature of this change, discontinuous change is very cost-effective (Guimaraes & Armstrong, 1998). Discontinuous change, however, does not have a lasting effect (Grundy, 1993; Love et al., 1998; Bond, 1999; Taylor & Hirst, 2001; Holloway, 2002). It allows room for negative reactions such as defensive behaviour, self-satisfaction, inward focus, and practices (Luecke, 2003) which will ultimately require another set of interventions or incentives (Todnem, 2005).

Incremental change, on the other hand, is when organisations, or individuals within the organisation itself, deal with problems and objectives selectively or with a one problem at a time approach (Burnes, 2004). Luecke (2003) suggests that this type of change is a better option compared to discontinuous change where it is possible to create a routine by making sure that organisations continuously react to environmental change, whether internal or external, and to constantly monitor the people that make up the organisation itself.

Bumpy incremental change was originally divided as *smooth incremental change* and *bumpy incremental change* (Grundy, 1993). Smooth incremental change is when change gradually takes place in a constantly methodical and predictable way (Grundy, 1993), while bumpy incremental change is when change occurs unexpectedly during a solemn period (Grundy, 1993; Holloway, 2002), and is often described as punctuated equilibrium (Balogun 2003). Smooth incremental change was then removed from the types of change due to the rarity of the event in real life contexts (Senior, 2002; Todnem, 2005) and was seen as an outdated approach (Grundy, 1993).

Continuous change, in contrast to incremental change, concentrates more on changes that happen in any department, operation, or any other ongoing change process within the organisation itself (Burnes, 2004). Departmental levels of organisations tend to adopt continuous change to adapt with constant internal and external environmental demands (Todnem, 2005). In a sense, continuous change deals with a more specific change process constantly, while incremental change is more of a one-time change with a long term objective.

Bumpy continuous change is an additional category where it is assumed that there will be times when “relative serenity punctuated by acceleration in the pace of change” (Todnem, 2005, p. 373) happens during the implementation of change (Grundy, 1993; Senior, 2002).

2.2.2.2 Change Characterised by How It Comes About

There are four main characteristics of change based on how it comes about: planned (Burnes, 1996; Senior, 2002), emergent (Burnes, 1996; Senior, 2002; Bamford & Forrester, 2003), contingency (Dunphy & Stace, 1993), and choice (Burnes, 1996). These four types of change were introduced to understand change processes from how they were developed (Burnes, 1996; Eldrod II & Tippett, 2002).

The *planned approach* to change is an approach where an organisation has to discard previously adopted behaviour or processes (Lewin, 1946; Bamford & Forrester, 2003). Lewin (1952) in Eldrod II & Tippett, 2002) introduced three steps of planned change that consisted of “unfreezing the present level, moving to the new level and refreezing this new level” (Todnem, 2005, p. 373). However, due to the very broad nature of the three steps of planned change, a four-phase model was introduced instead (Bullock and Batten, 1985). The four-phase model was developed using Lewin’s (1946) approach as the basis, which consists of four different phases: exploration, planning, action, and integration (Todnem, 2005). The model treats organisational change as a process where an organisation would have to go through one phase before

moving on to the next phase in order for it to achieve a well-integrated change implementation (Bullock & Batten, 1985; Burnes, 2004).

Although the planned approach to change is considered to be universally applicable to most change situations (Burnes, 2004) and regarded as highly effective (Bamford & Forrester, 2004), this approach has come under many criticisms (Kanter et al., 1992; Burnes, 1996). The approach only concentrates on small-scale change and very often only specifically tackles incremental change. Moreover, it tends to be difficult to apply this approach during times of massive change or transformational change (Burnes, 1996; Senior, 2002). The planned approach also assumes that conditions within organisations will remain the same and will move from one phase or stage to the next smoothly (Bamford & Forrester, 2004). This assumption, however, contradicts the reality of organisational change which tends to be fast-paced and constantly evolving (Wilson, 1992; Burnes, 1996, 2004). The nature of planned steps or phases is similarly problematic, considering how it is heavily reliant on decisions made by top management or the board of directors, where a time frame for each step or phase is set from the beginning, and creates a room for management errors, especially when senior managers may not be able to predict and fully understand the significance of their decisions (Wilson, 1992). This leads to the problem of situations that require more directive approaches. During an organisational change process, crisis very often arises and it requires a major and rapid change where there is very little room for a long-winded planning process (Kanter, et al, 1992; Burnes, 1996, 2004). Contrary to the belief that senior managers and stakeholders will always agree on an organisational change plan (Bamford & Forrester, 2003), most decision making processes involve

conflicts and hidden agendas that are not easily recognized or solved (Burnes, 1996, 2004).

The *emergent approach*, on the other hand, is a change approach and it is believed that change starts from the bottom of the organisational structure which then filters up to top management (Bamford & Forrester, 2003). In this approach, change is treated as a learning process (Dunphy & Stace, 1993; Altman and Iles, 1998; Davidson and De Marco, 1999) and stresses the importance of the relationship of the gathered variables within the organisation itself (Todnem, 2005). The rationale behind this belief is that change is very fast-paced, that top management often fails to identify the important variables, plan around them, and implement an effective change plan (Kanter et al, 1992). The nature of change has become a continuous, never ending adjustment process (Wilson, 1992; Dawson, 1994; Burnes, 1996, 2004) that it is not advisable to treat it as a series of linear occasions within a certain period of time (Wilson, 1992; Todnem, 2005).

Unlike the planned approach, the emergent approach recognises the ambiguity of the internal and external environment (Bamford & Forrester, 2003), making this approach a more relatable approach to change compared to the former (Todnem, 2005). This approach deals with the complexity and ambiguity of internal and external environmental change that organisations face by using an open learning systems approach that is developed from gathering, understanding, and processing information gathered from these environments (Dunphy & Stage, 1993). These internal and external environments include variables such as structure, culture, systems, and people – where they can be treated as either things that prevent change or as

supporting variables which positively affect the change process (Burnes, 1996). The emergent approach does not depend on specific plans and schedules, allowing it to explore the complexity of change itself and creating room for better solutions (Todnem, 2005) as it accommodates a more universal set of suggested actions (Pettigrem & Whipp, 1993) and emphasises more on the readiness to change and how to facilitate this process (Todnem, 2005). Burnes (1996) suggested that when an organisation fully embraces the abstract and complex process, it can adopt the emergent model as it was perceived suitable for all kinds of organisations, situations, and times.

However, the emergent approach is relatively new and it tends to be abstract and difficult to implement (Wilson, 1992; Bamford & Forrester, 2003; Todnem, 2005). The abstract nature of the emergent approach also creates trust complications, because employees often have negative feeling towards uncertainty (Kirkman, Jones, & Shapiro, 2000; Jordan & Troth, 2004). In a sense, because the emergent approach does not encourage an absolutely agreed plan (Burnes, 1996), it creates scepticism and reduces the probability of individuals within the organisation to fully trust the approach (Dawson, 1994; Bamford & Forrester, 2003); especially due to the unpredictable nature of organisational internal and external environments (Todnem, 2005). Dunphy & Stace (1993) suggested that organisations still need a form of “situational” or “contingency” change model to work with in order for them to be able to implement successful change incentives.

The *contingency approach* to change concentrates more on developing a unique, individual best possible way to treat a specific change event (Dunphy & Stace, 1993). The approach tries to tackle the overly planned or overly abstract methods that

previous approaches introduced. Instead of using a fixed, structured plan or treating change as a spectrum of events, the contingency approach divides change into different situational variables and creates structured methods to handle each of these variables (Dunphy & Stace, 1993; Todnem, 2005). In a way, the contingency approach combines the planned approach and emergent approach and tries to tackle change with the best-fit approach depending on the change events themselves, especially because one organisation will be different from another organisation, thus, each one will experience change differently. That being said, contingency theory fails to see the importance of senior managers or top management's roles (Burnes, 1996), while in reality, person-centred variables such as these play a role in the effectiveness of change process (Todnem, 2005).

This has led into the development of the *choice approach* where an organisation actually has a choice not to adapt to the external environment and concentrate more on its internal environment (Burnes, 1996). This approach reduces the pressure to change an existing internal system to accommodate to the constantly changing external environment, especially if the organisation wishes to maintain a particular managerial style that has become part of their organisational culture (Burnes, 1996; Todnem, 2005). It gives organisations a choice whether to stay fairly the same, change internally in order to keep up with external environment, or focus more on important internal change.

2.2.2.3 Change Characterised by Scale

Dunphy and Stace (1993) divided change characterised by scale into “four different characteristics: fine-tuning, incremental adjustment, modular transformation, and corporate transformation” (Todnem, 2005, p. 377).

In *fine tuning*, also referred to as convergent change (Nelson, 2003), organisational change is treated as an ongoing process that aims to align strategy, procedures, individuals, and structures within the organisation (Senior, 2002) – usually at the departmental level (Todnem, 2005). Fine tuning aims to tackle specific problems on the mentioned variables – for example by facilitating an internal environment that promotes the mission of the organisation, clear roles, cost and quality, or a generally conducive organisational culture (Dunphy & Stace, 1993).

Incremental adjustment, on the other hand, focuses on creating distinct and specific adjustments to managerial processes and strategies within the organisation, but often does not include fundamental organisational change (Senior, 2002). The scale of the change process is relatively small compared to other characterisations of change, concentrating only on very small, specific procedures that have to be adjusted. While fine tuning includes things such as clarification of existing procedures, incremental change might be carried out with it to suit the current situation more.

Modular transformation, unlike incremental adjustment, involves a bigger scale of change, such as principal shifts of one or more departments in the organisation and concentrates on only some parts of the organisation (Senior, 2002). When change involves the organisation as a whole, it can be then categorized as *corporate*

transformation where major modifications of the organisation are needed (Dunphy & Stace, 1993). Todnem (2005, p. 377) suggested that big changes such as “reorganisation, revision to interaction patterns, reformed organisational mission and core values, and altered power and status” can be classified as corporate transformation of change.

2.2.2.4 Change Strategies

Based on the key dimensions mentioned in the previous section, Dunphy & Stace (1990) introduced four types (but not limited to) of change strategies that an organisation can choose from, depending on the type of change they are experiencing.

The first type of change strategy is *participative evolution*. It is when an organisation uses collaboration to form an incremental change (Dunphy & Stace, 1990). Most of the time, it is considered to be participative evolution when the organisation in general is very fit but needs some minor tweaking or simply wants to implement some adjustments and have the time to do so (Bourne et al., 2003) – and individuals within the organisation are keen on these changes. Contrary to participative evolution, *forced evolution* is when directive change takes place (Dunphy & Stace, 1990). Although similar in terms of the kind of situation that the organisation is in (minor adjustments and there is time for it), forced evolution does not require consensus positive feelings towards the proposed changes (Bourne et al., 2003).

These first two strategies concentrate on smaller scale change, for much larger scale change, there is *charismatic transformation* and *dictatorial transformation*. The former is when there is discontinuous large-scale change while the latter refers to any major forced change being implemented (Dunphy & Stace, 1990). Similar to the

first two types of change strategies, charismatic transformation has the support of individuals within the organisation, while dictatorial transformation does not require support – although it is important that this transformation is crucial for the organisation's survival (Bourne et al, 2003).

2.2.3 Resistance to Organisational Change

Resistance is commonly treated as the biggest problem that any organisational change program will have to deal with (Kuhn, 1970; Aldag & Stearns, 1991; Dubrin & Ireland, 1993; Kreitner, 1992; Schermerhorn, 1989). However, resistance is in fact, just part of the process (Dent and Goldberg, 1999). Most resistance to change stems from how individuals feel about leaving their comfort zone (Griffin, 1993; Aldag and Stearns, 1991; and Schermerhorn, 1989). Uncertainty usually comes from the feeling of individual's self-interests being threatened, or differences in the belief of the need for change, or the emotions created from the assumption that there was a lack of tolerance (Dent and Goldberg, 1999).

Kreitner (1992), on the other hand, puts more emphasis on those that are directly affected by change. Employees whose jobs are affected show more resistance than those who are not affected, be it positive resistance or negative resistance (Kreitner, 1992; Dent & Goldberg, 1999). Kreitner (1992) believes that it is crucial for management to anticipate resistance and be prepared with ways to overcome it.

Another point of view on resistance is to treat it as part of the process (Dubrin & Ireland, 1993). Resistance during the change process is divided into three different factors– fear of poor outcomes, fear of the unknown, and the realisation of

flaws that the change process has overlooked. Fear of poor outcomes usually involves things such as lower earnings, possibility of personal inconvenience, or extra work load (Dent and Goldberg, 1999) and it mostly has to do with the negative consequences that a change process may have. Fear of the unknown, on the other hand, is quite similar to most beliefs of resistance to uncertainty (Kuhn, 1970; Aldag & Stearns, 1991; Dubrin & Ireland, 1993; Griffin, 1993; Kreitner, 1992; Schermerhorn, 1989) where employees are more likely to be resistant to change when they are not certain of the outcome. Lastly, the realisation of flaws that the change process has overlooked will include things that management failed to address or pay attention to in their implementation of the process (Dent & Goldberg, 1999). This may include unforeseen extra work, overlapping procedures, or an unexpectedly long period of implementation.

2.3 Coping

Coping is defined as efforts that are being put cognitively and behaviourally to deal with situations which may take a toll on one's resources (Lazarus & Folkman, 1984; Lazarus, 1993; Fugate, Kinicki, & Prussia, 2008). In most coping studies, it is fundamentally related to stress as the way one copes will determine one's experience of stress (Skinner, Edge, Altman, & Sherwood, 2003; Fugate, Kinicki, & Prussia, 2008). Coping as a concept consists of different approaches— often being divided as either a style or a process (Lazarus, 1993). Vollrath (2001) has also referred to coping as a personality process. This section will explore coping, both as a style and as a process.

2.3.1 The Concept of Coping

Stress is often, if not always, associated with coping as an important variable. In Lazarus and Folkman's (1984) cognitive phenomenological model of stress and coping, there are a few factors that will influence one's adjustment to any major event; coping resources, situational appraisals, and coping responses (Callan et al, 1994). These resources are often found in the environment of an individual, often categorised as personal or social resources (Chan, 1977; Moos & Billings, 1982; Callan et al, 1994). Using these resources, individuals cope with stressful events which may mediate the emotional outcome of the events (Lazarus, 1993).

The conceptualisation of coping differs from one researcher to another because the kind of questions that researchers try to address in relation to coping are often very different. Some researchers concentrate on coping resources (Chan, 1977; Moos & Billings, 1982; Lazarus, 1993 Callan et al, 1994), while others concentrate on styles of coping, things such as habitual ways of treating stressful problems (Worden & Sobel, 1978; Menaghan, 1982).

2.2.1.1 Coping Resources

Coping resources are often seen as one of the most stable coping components in an individual's environment, and is often referred to as everything that is available for them to develop their coping strategies (Terry & Callan, 2000). In terms of *personal resources*, Pennebaker (1989) suggests that individuals with high negative affectivity tend to be more affected by stressful events where they experience more

distress and anxiety. One of the most commonly mentioned coping style has to do with an individual's attitude about themselves, such as their self-esteem. Studies have shown that individuals with high self-esteem cope with stressful situations better than those with lower levels of self-esteem (Chan, 1977).

Aside from personal resources, individuals also have access to their *social environment* to help them cope. Their relationship with those around them is often seen as a potential resource to help them cope. Many researchers have found that social support plays an important role in one's ability to cope (Terry, Nielsen, & Perchard, 1993; Terry & Callan, 2000). When an individual's social resources have been affected by similar (or even the same) stressful events, they become a great help because of their ability to relate or empathise with the individual. In the organisational context, social resources can be gleaned from relationships with colleagues, or even better, one's supervisor (Caplan et al, 1975; Schweiger et al, 1987).

2.2.1.2 Coping Strategies and Styles

Coping strategies are basically specific ways that individual choose to decrease the effects caused by stressful events (Terry & Callan, 2000). These strategies are distinguished as *problem-focused* and *emotional focused* strategies (Lazarus & Folkman, 1984). Those that use problem-focused strategies concentrate more on dealing with the problem head on, such as coming up with ways to manage the problem. Problem-focused strategies usually affect individuals positively as they focus on solving the problem before it causes any harm. These coping strategies concentrate

on the relationship between the environment and the person involved in the process, by acting on either oneself or the environment that one is in (Lazarus, 1993; Folkman et al, 1990). Emotional-focused strategies, on the other hand, are usually strategies carried out when coping has failed, focusing more on the management of one's emotional state. These types of strategies do not usually solve the problematic events, but deal with individual adjustments to stress. It concentrates on the personal understanding of what is happening during stress, which lessens stress even when the circumstances of the relationship with the environment have not changed (Folkman et al, 1990; Lazarus, 1993).

In another study by Olf et al (1993), the researchers identified four main coping styles; emotion-focused coping, cognitive defence, instrumental mastery-oriented coping, and defensive hostility. This study concentrated on the effects of not implementing certain coping styles (lack of coping) in individuals' health. For example, when there is lack of instrumental mastery-oriented coping while facing stressful events, individuals have the tendency to suffer from poor health, burnout, or depression (Eriksen, Olf, & Ursin, 2000)

From the numerous coping styles introduced by previous researches, Haan et al's (1977) typology is perhaps one of the most comprehensive because it assumes that "some cross-situational, relatively stable problem solving tendencies in individuals" help them cope (Menaghan, 1982, p. 221). This style involves making an effort to seek help or trying to make oneself feel better by thinking that there are others that have it worse. According to with Lazarus et al (1974), individuals usually try to manage their

unpleasant emotions caused by problems and change their point of view to help them go through the stressful event.

There is no agreement on which coping strategies or styles will give individuals the best result. Individuals will use the type of strategies or will employ certain styles in accordance with their preferences and what was possible for them at the time of the event (Menaghan, 1982).

In a more hierarchical attitude, coping is seen as the healthiest approach and the least regressed individual's response mechanism, in keeping with the notion that coping is actually a process of the mind (Haan 1969; Lazarus 1993). The response mechanism tends to include the traits that might occur during coping, for example the difference between repression and sensitization (Lazarus, 1993).

Despite being treated as the healthiest response mechanism, most coping researchers have concluded a standardised measure (Lazarus, 1993) and mostly adopt grounded theory to approach the subject (Glaser et al, 1967). The coping strategies hierarchy is usually constructed based on fixed ideas about inherent health or pathology that often involves confusion between the process of coping and the outcome of coping (Lazarus, 1993).

The hierarchical approach, however, became uncommon and researchers started to treat coping as a process. From this perspective, as a process, coping changes with time and is often dependent on the context in which it occurs (Lazarus, 1993). When considering it as a process, it is important to treat thoughts and actions separately from outcomes as labelling coping processes as bad or good might not be

appropriate – though Lazarus (1993) suggests that evaluating coping processes as better or worse is a plausible approach.

Denial, which would be treated as problematic in hierarchical approach, is seen from a different light in coping as a process. It has a more positive significance and is different from avoidance (Lazarus, 1983). Carnall (1990) later suggests that denial marks the beginning of coping process.

2.4 Individual Differences in Coping with Change

Employees respond to change differently even when they share the same skills and experiences, and this is usually caused by individual differences. This section will explore emotional intelligence and personality traits.

2.4.1 Emotional Intelligence

In order to define Emotional Intelligence (EI), it is important to first have an understanding of what constitutes intelligence. According to Mayer et al (1999), to be considered as a form of intelligence, emotional intelligence has to have the three important aspects of intelligence: the conceptual, co-relational and developmental. In order to be conceptual, EI has to have an impact on performance, i.e. something which shows how well an individual performs in a certain subject. In the latter case, EI should be related to mental performance. Emotional Intelligence should be able to describe similar abilities, which are still essentially distinct from mental abilities in order to be co-relational. After fulfilling these two aspects of intelligence, it has to be something

that develops with experience, as well as age because intelligence is expected to be something that will describe a person's ability. Mayer and Salovey (1997) argue that emotional intelligence is distinct and not similar to other intelligence forms (Jordan & Troth, 2002).

Based on these three aspects, emotional intelligence can be defined as an individual's ability to recognise emotions, approach and create emotional knowledge, and regulate the emotions that represent one's emotional knowledge and mental growth (Mayer & Salovey, 1997).

For example, Henry and Ricky are siblings who at times would have small arguments with each other. When Ricky broke Henry's mobile phone, Henry felt angry. Henry might perceive his anger as an emotion he felt as a consequence of the event, as well as generating feelings of anger associated with other experiences. The way Henry shows his anger would then determine his emotional intelligence. Whether Henry yells at Ricky or whether he decides to stay calm and asks Ricky to do something about his broken mobile phone is Henry's decision on how to regulate the anger he felt.

In an organizational context, emotional intelligence is usually used to see how an individual will behave given any event that regularly occurs or might occur in the work setting. Some studies show how more emotionally intelligent individuals are more likely to be able to deal with uncertainty at work as well as communicate with their colleagues.

There are, however, some disagreements on the factors that affect the conceptualisation of emotional intelligence. Mayer and Salovey's (1997) concentrate on

the cognitive and emotion aspect of Emotional Intelligence, while Goleman (1995) on the other hand includes social and emotional competencies, as well as personality traits. Despite these disagreements, most researchers are in agreement on the core factors of emotional intelligence; which are emotional awareness and emotional control (Goleman, 1995; Mayer and Salovey, 1997; Jordan & Troth, 2002).

2.3.1.1 Skill Level of Emotional Intelligence

Mayer et al (1999) classified emotional intelligence into four levels of skill and these four levels of skill are seen as an ability model type. The first level is about perception of emotion and appraisal of emotion – evident when one is able to express their emotion using their facial expression, or at times through artwork like a song or a painting.

The second level involves one's ability to absorb one's emotional experience into mental life. This often is about how one is able to weigh one's emotions against another. Using the Henry and Ricky case as an illustration, when Henry feels angry towards Ricky, he is able to feel what it is that he is feeling. Mayer and Salovey (1997) refer to this as one's ability to assimilate emotion in thought.

The third level of emotional intelligence is when one is able to understand one's own emotions and reason out one's emotions. In the Henry and Ricky example, Henry was able to recognize the feeling he felt when Ricky broke his mobile phone as anger. As his anger rose, Henry knew that the reason he felt anger was because Ricky broke his mobile phone. As Mayer et al (1990) suggest, anger is usually influenced by injustice which explains the third component of emotional intelligence.

The last level of emotional intelligence is the management and regulation of one's emotion, in which one reflects on one's emotion. Feelings one may experience and recognize will always be there, but when one is able to regulate such emotions more than through one's facial expression, or understanding why one feels what he feels, one is more likely to be at the fourth level of emotional intelligence. In the Ricky and Henry illustration, if Henry chose to remain calm even though he felt angry at what Ricky had done, Henry has then managed to show a more controlled reaction towards the event.

Individuals will have different levels of emotional intelligence – there are a lot of factors as to why this would be the case. Things such as personal background and the environment that one grew up in would affect one's level of emotional intelligence.

2.3.1.2 How is Emotional Intelligence Developed?

As part of intelligence, emotional intelligence is something that is developed throughout the years and begins in the home, through interactions between parents and their children.

This, unfortunately, shows how the chance of high emotional intelligence will depend on one's opportunities in life – which leads to variations in individuals' skill-level. The first skill level of emotional intelligence often involves how children learn certain emotions through facial expressions. A child will observe his/her surroundings and start recognizing feelings from this observation – these can be from friends, family or even pets. However, as they progress to the second level where they will have to label

emotions that they feel, parents' role in developing emotional intelligence becomes more apparent as they help their child identify what those emotions are (Mayer & Salovey, 1997).

In most cases, there will be more opportunities to develop emotional skill as a child grows up. For example, if as a child, Henry incorrectly learned from experience that behaving in a hostile manner is associated with anger, this behaviour becomes something natural for him. However, as he starts to interact with people other than his family, he learns (for example from his friends or teachers) that being hostile when he is angry shows how much he is unable to regulate his emotions appropriately. Because these interactions with his environment show him how he ought to perceive his feelings; Henry manages to remain calm when his brother breaks his mobile phone, rather than reacting with hostility like how he otherwise would.

In conclusion, emotional intelligence is not fixed for life. Goleman (1995) believes that with suitable and appropriate training, individuals can improve their level of emotional intelligence. Organisations can now consider emotional intelligence development as part of their human resource development to tackle conflict due to change (Jordan and Troth, 2002). A study by Jordan et al (2002) has shown that emotional intelligence coaching could be used to improve employees' performance and their effectiveness in addressing conflict.

2.3.1.3 Emotional Intelligence and Organisational Change

In the context of the organisation, organisational change is a phenomenon that continues to gain the attention of many experts in the field (Mossholder et al,

2000). As mentioned in the section on organisational change, this phenomenon can trigger both positive and negative responses (O'Neil & Lenn, 1995). Emotional intelligence provides a significant tool for employees experiencing change within their organisations. Many organisational change initiatives fail because organisations ignore the importance of examining responses on an individual level. Huy (1999) contends that emotional intelligence allows individuals to adapt to change by providing them with better coping mechanisms and better change-related behaviours (Jordan & Troth, 2002). An example of a positive change-related behaviour stemming from emotional intelligence is the notion that individuals will be able to develop empathy towards themselves and others, which will ultimately reduce the possibility of conflict caused by change (Huy, 1999; Callahan & McCollum, 2002; Jordan and Troth, 2002).

Organisations can benefit from constructive conflict during periods of organisational change (Jordan & Troth, 2002). Conflict can be constructive when employees are allowed to express their opinions and be creative in developing collaborative solutions to problems. Nevertheless, eliciting such a positive outcome from organisational change is rare and most researchers find that individuals within the organisation tend to resist change in general (Strebel, 1996; Dawson, 2003).

Within the concept of organisational change, resistance is considered as part of the process (Dawson, 2003). The desired constructive conflict is hard to achieve as many conflicts tend to be dysfunctional and employees tend to feel a lot of negative emotions towards the uncertainty of change (Kirkman, Jones, & Shapiro, 2000; Jordan & Troth, 2002). Affleck and Tennen (1994) discovered that dysfunctional conflicts are usually caused by a single party dominating the entire process; which is common when

organisations concentrate solely on organisational strategies for managing change and treat individual level strategies as less important (Collins, 1998; March and Olsen, 1998). Instead of responding with constructive conflict, individuals treat these conflicts as competition which may eventually lead to negative working relationships and uncontrollable emotions (Affleck & Tennen, 1994; Kirkman, Jones, & Shapiro, 2000; Jordan and Troth, 2002).

Thomas (1977) describes the five most common ways in which employees usually deal with such conflicts: (a) individuals tend to compete during conflicts, seeking to be the “winner”, (b) individuals tend to avoid conflicts all together, allowing others to gain from me, (c) individuals tend to accommodate the conflict, trying to make everyone agree and go along with it, (d) individuals tend to compromise, making adjustments based on their understanding of the conflict, (e) individuals tend to collaborate with other individuals, seeking benefits. This shows that it is almost impossible to be certain that change incentives will bring about constructive conflict and the resulting behaviours can range from positive to negative (Thomas, 1977; Sternberg & Soriano, 1984; Kirkman, Jones, & Shapiro, 2000). Despite the uncertainty on how individuals will react, Jamieson and Thomas (1974) suggest that individuals that choose actions towards compromise actually show a high level of emotional intelligence, and are able identify their emotions and regulate them accordingly. Emotional intelligence might also influence employees’ decisions to accommodate conflict; although Borisoff and Victor (1988) contend that fear or other emotional antecedents might also be of influence.

In general, this has led the assumption that the higher one's emotional intelligence, the better one will be able to deal with organisational change. Emotional intelligence allows individuals to solve problems and conflicts using emotional and cognitive abilities (Salovey & Mayer, 1990). Jordan and Troth (2002) also mention that individuals with higher emotional intelligence are expected to maintain compromising and collaborating strategies for dealing with organisational change, and individuals with lower emotional intelligence will most likely avoid these options.

A study by Jordan and Troth (2002) has shown that emotional intelligence is positively related to one's probability of choosing collaborative or compromising solutions. In addition, the study also shows that when individuals attempt to gain mutual benefit, they also show assertiveness and cooperation, which are indicative of high levels of emotional intelligence. It was also suggested that when employees were trained in emotional management skills, they became more prepared to deal with and resolve conflicts. These findings support Mayer and Salovey's (1997) model – where emotional intelligence can be used as a management tool in avoiding negative behaviours (Carlopio, Andrewartha, & Armstrong, 1997). The findings also demonstrate how emotional intelligence is a relevant field to study for the management of organisational change at the level of the individual.

2.3.1.4 The Overly-hyped Emotional Intelligence

Although the importance of emotional intelligence has been justified by empirically-based studies, emotional intelligence has been over-hyped by society

(Gabriel and Griffith, 2002). The term was popularized by several best-selling non-academic publications which grossly exaggerated the capability of emotional intelligence predicting the way individuals behave and how successful they will become in life. Indeed, there exists a fallacy that intelligence predicts only 20% of one's success and emotional intelligence the remaining 80% (Goleman et al, 2013). This statement is not only misleading but impossible, as no single variable can play such a huge role in determining someone's behaviour or success in life. Other variables will undoubtedly affect someone's chance of success such as opportunity provided by the workplace, family circumstances, one's personal relationships or even a natural disaster.

Despite the fact that emotional intelligence develops with experience, there is a misconception that emotional intelligence is a 'whole package' that individuals can learn just like that (Bastian et al, 2005; Roberts, Zeidner, & Matthews, 2001). There are indeed opportunities that might arise in one's life where one will be able to improve one's emotional intelligence, but many do not realise that it will only affect a small part of one's emotional intelligence and not one's total level of emotional intelligence (Ciarrochi, Chan, & Bajgar, 2001; Lopes et al., 2003). Different aspects of emotional intelligence are often independent (though might be related). Hence, the belief that emotional intelligence is a single entity is false and EI cannot be learned as a whole. In the Henry and Ricky illustration, Henry might be presented with the opportunity to regulate his anger in a calmer manner. However, this does not mean that he has learned emotional intelligence as a whole because there are many facets to emotional intelligence, i.e. expression, regulation, management, etc.

2.4.2 Personality Traits

In everyday life, personality traits are among things that individuals identify each other with. Personality traits determine one's interests and the way one will most likely react to a certain situation. According to Chamorro-Premuzic (2007), traits are psychological dispositions that are developed internally and remain relatively constant throughout one's life time.

The notion of personality traits is influenced by one's awareness and intentions of one's interests, values and preferences. At the end of the day, these three dimensions will determine the way one behaves. A classic assumption of personality is that it is the projection of one's behaviour which leads to the unveiling of one's true thoughts and feelings. Many theories of personality traits have been introduced by scholars ever since, some tend to overlap one another.

2.3.2.1 Eysenck's Early Personality Traits

In the early days, personality traits were divided into four dimensions; extraversion, introversion, neuroticism and emotional stability. These dimensions are made up of combinations of several possible traits that one might have. To come out with these dimensions, one will have to have a mixture of these; melancholic, choleric, sanguine and phlegmatic (Chamorro-Premuzic, 2007).

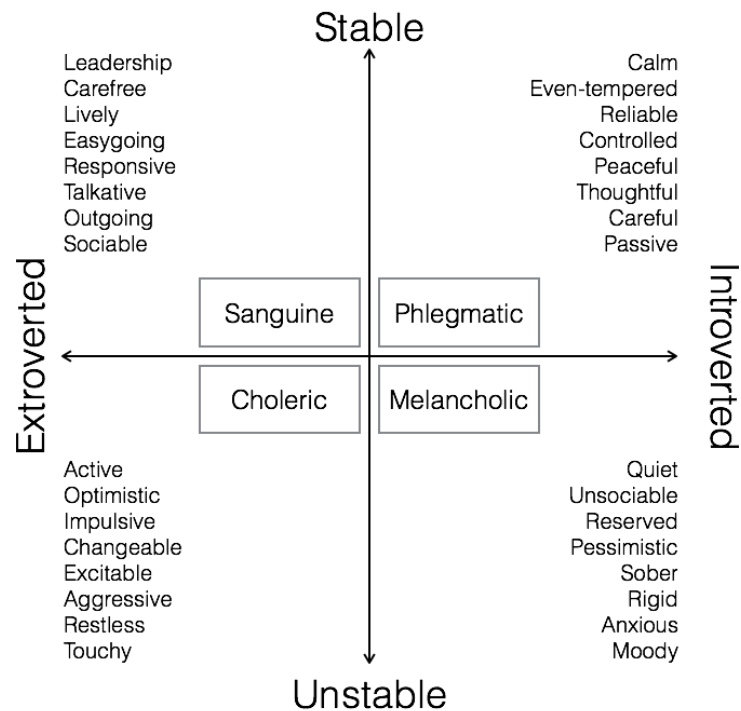


Table 2. 1 Eysenck's Early Personality Traits (Chamorro-Premuzic, 2007)

Extraversion, according to the figure above is a combination of choleric (aggressive, tense, impulsive) and sanguine (enthusiastic, positive, cheerful); and this combination makes up the commonly found traits in an extraverted individual, such as being positive yet aggressive at the same time. Introversion is represented by melancholic and phlegmatic where there is a mixture of a reflective, depressed personality with a slow and controlled personality. Neuroticism is a combination of melancholic and choleric that makes up a depressed, reflective, aggressive and impulsive personality (Chamorro-Premuzic, 2007).

This early definition and theory of personality traits eventually became the basis for many other personality trait theories introduced more recently. Most of these

new theories tried to expand and evaluate the traits to come up with a better and more applicable theory.

2.3.2.2 Costa & McCrae's The Big Five Model

There are a lot of personality traits theories and models that have been introduced in the past – Costa & McCrae's the Big Five model, also known as Five-Factor Model (FFM), is one of the most commonly used ones. This theory classifies personality traits into five major factors; Neuroticism, Extraversion, Openness, Agreeableness, and Conscientiousness. The traits introduced in the Big Five model are derived from Eysenck's early trait theory (Chamorro-Premuzic, 2007). Aside from being derived from Eysenck's early personality traits theory, the FFM is also influenced by Allport and Odbert's (1936) study on traits as individual differences (Ehrhart et al, 2009).

Neuroticism is described as a trait where an individual experiences negative emotions such as depression or anxiety, characterized by the tendency to act in a negative manner instead of remaining calm or relaxed (Chamorro-Premuzic, 2007). Due to their negative nature, such individuals, more often than not, experience negative events (Magnus et al, 1993) – mostly because they choose to get involved in such situations (Emmons, Diener, & Larsen, 1985). Many researchers have found that neuroticism is negatively linked to individual job satisfaction (Connolly & Viswesvaran, 2002), and is often seen as an important variable in many organisational studies (Connolly and Viswesvaran, 2002; Judge, Heller, & Mount, 2002). Individuals scoring

high extraversion also tend to have more social relationships (Judge, Heller, & Mount, 2002).

Openness to experience is a trait of individuals who often have the tendency to become involved in intellectual activities and tend not to oppose change or new experiences and ideas (Chamorro-Premuzic, 2007) – in fact, individuals with high openness enjoy these situations. Those with high openness to experience often think divergently to most, being either more scientific or artistic (Feist, 1998). This particular trait, however, is also a double-edged sword (DeNeve & Cooper, 1998), as it may not only make individuals feel comfortable in a chaotic situation, but uncomfortable and depressed when they aren't challenged (Judge, Heller, & Mount, 2002).

Agreeableness refers to individuals who are likeable, sympathetic, and trustworthy (McCrae & John, 1992). This type of individual is usually considerate and often shows modest behaviour. People tend to trust them for their straightforwardness and tender-mindedness. Agreeableness is related to one's happiness, which leads to better motivation (Costa & McCrae, 1991) and better relationships with people around them due to their pleasant nature (Organ & Lingl, 1995). Agreeable people tend to avoid conflicts and are more likely to be compliant and accommodating of others (McCrae & John, 1992)

Conscientiousness as a trait is used to describe individuals with a proactive personality. They tend to be responsible and self-disciplined. Conscientious individuals tend to be focused and effective in organising their time and efforts (Judge et al., 1999; Kossek et al., 1999). It is often seen as an important variable to job satisfaction (DeNeve and Cooper, 1998) as individuals with high conscientiousness tend to have decent or

even better job-involvement that will usually result in pronounced work rewards and satisfaction (Organ & Lingl, 1995). On the negative side, because they tend to strive for perfection, conscientious individuals may be more susceptible to stress (Rovik, 2009)

There is however criticism over FFM. Many argue that it is solely based on statistical, instead of theoretical or experimental research – causing many to say that the model is lacking theoretical foundation. Openness to experience, Agreeableness and Conscientiousness are the most mentioned in this line of argument (Barrick & Mount, 1991; Lim, 2006; Chammorro-Premuzic, 2007). There is also no clear explanation as to how these five traits are selected as the main personality traits. Yet, despite these criticisms, the Big Five has proven many times over that it is applicable and has high validity in empirical studies (Lim, 2006; Chammorro-Premuzic, 2007). Studies on the FFM and leadership, job satisfaction and job performances have clearly demonstrated that the five factors do play an important role in determining individual behaviour at work (Barrick & Mount, 1991; Organ & Lingl, 1995; DeNeve & Cooper, 1998; Judge, Heller, & Mount, 2002).

2.3.2.3 Do Personality Traits Matter?

To address the criticism of personality traits, this section aims to show evidence on why personality traits matter. Empirical studies on job satisfaction, job performance, and turnover and the five-factor model have been selected to demonstrate the applicability of the FFM to the present research.

Judge, Heller, and Mount (2002) explored the relationship between personality traits and job satisfaction. They found that Neuroticism, Extraversion, and Conscientiousness were moderately related to job satisfaction. Low levels of neuroticism and high levels of extraversion were shown as important aspects of one's personality which influenced their "happiness" at work. This statement is in accordance to DeNeve and Cooper's (1998) claim that the "happy personality" is the result of high levels of emotional stability and extraversion. Conscientiousness, however, did not show the desired result. They however, stressed that there might be a possibility of sampling error that caused this result (Judge, Heller, and Mount, 2002). Based on this finding, Judge, Heller, and Mount (2002) concluded that the five-factor model might play a role in determining one's level of job satisfaction.

A study by Lounsbury et al (2003) was also in agreement with Judge, Heller, and Mount's (2002) findings. In addition, they also found that personality traits were related to career success in their US sample. Neuroticism was found negatively related to career success and job satisfaction. Like Judge, Heller, and Mount (2002), they also found positive relationship between conscientiousness and job satisfaction. However, it was also found that there were other variables that might contribute to job satisfaction. They identified that there were other non-personality trait variables and pointed out the importance of exploring these other variables, such as emotional resilience, in the future.

Personality traits were also shown to be related to individuals' overall performance in performance change and maintenance or routinized stage (Thoresen et al, 2003). Conscientiousness was seen as positively related to performance. Findings

from the study showed that “extraversion and conscientiousness should continue to predict job performance even when job-related tasks have become fairly routinized, as in the maintenance stage.” Although there was no significant relationship during the maintenance stage, openness was positively related with individual performance and performance growth. The study also unexpectedly found that agreeableness was positively effective during performance growth, the reason being that individuals with high agreeableness level tend to develop better relationships and trust with their customers. This finding supported Costa and McCrae’s (1991) claim that people see those with high agreeableness level as trustworthy.

Lastly, Zimmerman (2008) linked personality traits with turnover rates. It was found that neuroticism and conscientiousness are moderately correlated with individuals’ intention to quit and turnover rate. Neuroticism showed the greatest correlation with intention to quit, wherein the higher an individual’s neuroticism, the more likely they intended to quit. However, intention to leave often didn’t lead to quitting (Watson & Clark, 1997; Eysenck, 1997). The study found that actual turnover was affected by level of agreeableness and conscientiousness. (Watson & Clark, 1997) had stated that turnover was usually affected by traits with facets of impulsivity, which in this case were agreeableness and conscientiousness (Zimmerman, 2008). Evidence from these studies has shown that personality traits do matter at work. It has consistently been demonstrated that personality traits play an important role on many organisational outcomes such as job satisfaction, turnover rates, or job performance.

The big five personality traits, or also often referred to as the five-factor model, has facilitated research in many areas of the social sciences (Barrick & Mount,

1991). Mount and Barrick (1995) claimed that there are three significant factors as to why despite criticism, researchers have continued to use the big five personality traits as important variables in their studies. First, the five traits provide researchers with a wide range of personality constructs which can be applied to so many different interests and many types of studies. Traits are used as a common language that many researchers from different backgrounds can use. Secondly, the theory is significantly comprehensive, allowing it to be used in conjunction with other theories. Many researchers have used the big five personality traits as variables that have significant relationships with other phenomena such as human behaviour in workplace. It serves as a bridge between two or more different theories. Thirdly, from the evidence shown in many studies, it can be concluded that the Big Five personality traits give appropriate coverage of individuals' personality. The global description of personality gives researchers a strong foundation for studying human behaviours in any field of study.

2.5 Conclusion

This chapter has explored, albeit at a broad level, the theoretical underpinnings of each variable under investigation in the present research. While organisational change concerns an organisational-level phenomenon and coping and individual difference are variables, this chapter has attempted to explore the potential inter-relatedness of these concepts against the backdrop of organisational change. A more specific framework for investigating these relationships will be discussed in the following chapter.

Chapter 3: Conceptual Frameworks

3.1 Organisational Change and Coping

To understand the strategies used in the coping process, it is important to consider the context of change. A study on cancer survivors showed that the manner in which the patients coped after surgery was dependent on whether they faced various threats caused by their diseases (Lazarus & Folkman, 1984; Folkman et al 1986). In this situation, the actions taken and their outcomes were separated. The actions taken by the patients after surgery in order to adjust might not have a direct effect on the outcomes, such as their stress levels. The stage of the patients' cancer (early or advanced stages), or the pressure of having to inform friends and family members of the disease, may play a more critical effect on their state of health (Lazarus 1993).

Contrary to popular beliefs about coping in an organisational context, coping occurs on an individual level instead of an organisational level (Carter, 1999). Many change programs often fail because management is unable to recognise the need to concentrate on individual coping processes which are just as important as coping processes at an organisational level (Lazarus, 1993). Managing the individual coping process, however, is especially challenging in a company with a large number of employees.

Different individuals will have differing attitudes towards change. Nicholson (1990) mentioned that there are two dimensions of change that individuals have to deal with in order to cope; personal identity and role development. Before change occurs,

each individual may possess their own beliefs and values. They would most likely have successfully adapted their own beliefs, values and motivation to work with the organisation's beliefs and values. However, when change takes effect, the beliefs and values they have developed as individuals from their personal life as well as from what they have gained throughout their working experiences are challenged. They have to deal with change not only in their relationship with the organisational context, but also with the personal context which may involve their self-concept. Organisational change would increase the risks of job insecurity, causing anxiety and uncertainty amongst the employees (Callan, Schweitzer, & Terry, 1994).

In most literature, coping is often associated with stress (Lazarus & Folkman, 1984; Aldwin & Revenson, 1987) and individuals that effectively manage to cope with the stress they experience usually have high levels of self-esteem (Ashford, 1988), high self-confidence (Chan, 1977; Holahan & Moos, 1987; Kobasa et al, 1982), or have an increased internal locus of control and external locus of control (Kobasa et al., 1982; Ashford, 1988; Callan, Schweitzer, & Terry, 1994). In the Lazarus and Folkman (1984) model, individuals cope by using their disposition and environment as resources. More often than not, individuals with high self-confidence are more likely to have had positive or successful experiences of coping with stress in the past, which explains their confidence and ability to cope with it better (Chan, 1977).

Unfortunately, the precise elements that may have an impact on one's ability to cope on the job remain unclear. Lazarus and Folkman's model (1984) suggests that in order to obtain a clear understanding of the coping process, it is necessary to explore employees' level of stress, their resources, and their coping responses. Callan,

Schweitzer, and Terry (1994) suggest that organisations should try to alter their employees' assumptions of change-associated threat.

Coping with change will certainly be a great feature of management training programs, as it allows employee empowerment and self-development (Lazarus & Folkman, 1984). An organisation is comprised of its people, and when the organisation changes, its people will have to change or adapt to the change. Most change incentives fail because management fails to consider employees' coping resources or is unable to identify the assumptions that the employees' perceived from the change (Buono & Bowditch, 1989).

3.1.1 Coping Cycle

The coping process occurs in a cycle, where changes are treated as a continuous process. Carnall (1990) introduced five stages of the coping cycle; denial, defence, discarding, adaptation, internalisation.

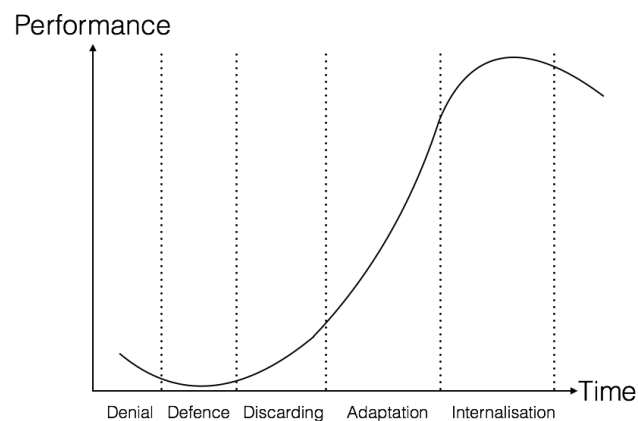


Table 3. 1 Coping Cycle (Carnall 1990)

Many organisations tend to treat resistance as a threat to the implementation of the change process. It is rarely identified as a reaction of employees to cope with change. Resistance, in actuality, is the denial stage of the coping cycle – and treating it as a threat might be considered a mistake. Instead of labelling resistance as a negative outcome to change, it should be treated as a sign that a coping process is in occurrence.

According to Carnall (1990), during the coping cycle, employees are on the defensive, refusing to follow the change program yet exhibiting high levels of performance. However, this tends to last for a short period of time, after which employees become indifferent towards the change and their performance drops rapidly. As this stage takes place, employees slowly become accustomed to the new programs or new environment – time eventually allows them to internalise new procedures and knowledge, thus enabling employee performance to gradually return to its original levels.

The cycle, however, might not always yield positive outcomes, as people tend to have irrational and unpredictable reactions to change. There are cases where change fails and no real change has taken place as a result of the initiative being discarded, or when change initiatives are implemented poorly. The Nut Island Effect is a perfect example of this (Levy, 2001). When new regulations were introduced to prevent water contamination from plant waste, top management moved quickly to implement more environmentally-friendly procedures. Management however were too focussed on the political issues of the problem and eventually detached themselves from those in the field. Even though the Nut Island team was more than capable in implementing any

change procedures, management's fixation on the politics and regulations led them to ignore the issues and concerns addressed to them by the employees (Levy, 2001).

Instead of dealing with the source of the problem, such as the malfunctioning machines and their impact on the environment (which is the main concern that the independent state agency insisted they address), management remained focussed on political issues and provided minimal guidance to the employees. This caused the employees to act independently, so that once they had gone through the 'adaptation' stage in dealing with change, employees began to manage problems on their own. Employees also did not make an effort to seek guidance from management, which ultimately resulted in self-made solutions founded on unscientific bases. This eventually led to the failure of many plants and also showed the importance of coping to the successful implementation of change, even when such change occurs externally and not internally (Levy, 2001).

3.1.2 Why is Coping Important?

There are several reasons why employees might find it hard to cope with change. Firstly, it usually takes time for an individual to recognise that change is occurring. Secondly, it may take a longer period of time before one is able to perform effectively in the new environment. It is usually before this point that managers conclude that employees have become resistant to change or that the change program is failing (Bareil et al., 2007).

Understanding the coping process becomes even more relevant when employees' inability to cope with change results in hostile resistance or work-related stress (Bovey & Hede, 2001). Although companies may provide programs or refer their employees to productivity training programs, these programs are often not introduced until the resistance phase. Moreover, such programmes tend to focus on helping individuals cope with change in general, rather than focussing on the factors that affect the coping process (McKenna, 2000).

Many have questioned how coping ought to be measured. Indeed, discussions on coping styles, strategies abound in literature. In this research however, coping is conceptualised as a process that must be executed by an individual because of ongoing change. The focus of this study is not to measure coping, but instead, to identify and distinguish variables that affect an individual's ability to cope. It cannot be denied that at some point, coping will have to be measured, in order to ascertain how an individual copes with change and whether this may have any bearing on his/her well-being. A possible way to observe this is to observe if an individual is experiencing stress as a result of change. The justification for measuring stress is because most organisational change studies concentrate only on organisational level effects that occur throughout the process of change. There is almost no study which examines organisational change from the perspective of individual employees and how they manage to cope with change (Carnall & Bowditch, 1989; Callan, Schweitzer, and Terry, 1994). A common factor in the discussion of the relationship between organisational change and the employee usually focuses on the employee's receptivity towards change, or strategies for managers to handle people facing difficulties during periods of

change. Few researchers have mentioned the role of personal-factors that may be related to organisational change. This study addresses the much needed research on coping in the context of organisational change, the potential difficulties therein, and the possible factors that could affect the manner in which people cope with change in the workplace, with particular reference to how individual differences affect the way one may cope with change.

3.2 Emotional Intelligence and Coping

In more recent studies, emotional intelligence was shown to be related to coping, especially with problem-focused coping (Schutte et al., 2007; Saklofske et al., 2007; Noorbakhsh, Besharat, & Zarei, 2010). As mentioned in the previous chapter, coping strategies are divided into two types – problem-solving strategies which refer to efforts to deal with the person experiencing difficulties or the environment in which coping happens, and emotion-focused strategies where coping is concentrated on the regulation of emotions (Folkman & Lazarus, 1984). Since the rise in popularity of the concept of emotional intelligence, it has been predicted that better emotional intelligence will enable individuals to use more effective coping strategies in dealing with unknown or stressful environments (Salovey et al., 2000; Austin, Saklofske, & Mastoras, 2010; Saklofske et al., 2012). Conversely, lower levels of emotional intelligence level may foster less effective coping approaches to unknown or stressful environments (Noorbakhsh, Besharat, & Zarei, 2010).

Jordan (2005) mentioned that appropriate levels of emotional intelligence are needed for employees to be able to deal with the emotional characteristics of organisational change. In a qualitative study conducted by Smollan, Mathney, and Sayers (2010) on the effects of personality on organisational change, they found that respondents who were perceived to be unable to control their emotions during the organisational change process wished they had had the ability to regulate their feelings in a more effective manner. The following two sections explore the relationship between emotional intelligence in organisational change in more depth.

3.2.1 Emotional Intelligence Role in Organisational Behaviour

A study on a student's ability to cope with stressful events based on their emotional intelligence by Noorbakhsh, Besharat, & Zarei (2010) showed that emotional intelligence is positively related with problem-focused coping, and is negatively correlated with both positive and negative emotional coping. Their findings partly confirmed current thinking that emotional intelligence helps one to better utilize strategies during stressful events. Other studies have also shown that individuals with high emotional intelligence have a greater ability to manage their emotions in stressful environments (Salovey et al. 2000; Austin, Saklofske, & Mastoras, 2010; Saklofske et al., 2012). Emotional intelligence helps individuals regulate their emotions during coping because it offers them a better understanding of their own emotions, which in turn enables them to identify or anticipate sentiments during such events and quickly try to work out how one might achieve desired goals (Salovey, Bedell, Detweiler, & Mayer, 2000).

Researchers have suggested that emotional intelligence should be treated as an explanatory variable (Saklofske, Austin, Mastoras, Beaton, & Osborne, 2012) – due to the nature of emotional intelligence that promote successful emotion regulation within oneself (Salovey, Bedell, Detweiler, & Mayer, 2000). Thus, when including emotional intelligence in studies on coping, it is important to treat it as a component that has explanatory power in studying behaviour (Saklofske et al., 2012) or stress (Austin, Saklofske, & Mastoras, 2010). This section will explore the general relationship between emotional intelligence and overall organisational behaviour among employees.

3.2.1.1 Emotional Intelligence and Work Performances

In the past, emotional intelligence was often referred to as self-awareness, self-regulation, social awareness, or social skills (Diggins, 2004). It is believed that the best managers are those that are able to arrive at a decision based on their self-management and relationship skills and an awareness of how things and human behaviour may affect others in the organisation. Many of the findings in the field of emotional intelligence conclude that individuals who are emotionally intelligent tend to be better performers (Law, Wong, & Song, 2004; Whitman, Van Rooy & Viswesvaran, 2009; Lopes et al., 2006).

The relationship between emotional intelligence and the quality of social relationships has largely been shown to be positive (Lopes et al., 2004; Lopes et al., 2005). This raises the question of whether emotional intelligence will affect human behaviour in other contexts. Within the organisational context, researchers have found

promising findings with regards to emotional intelligence's correlation with work performances (Law, Wong, & Song, 2004; Lopes et al., 2006). Caruso and Salovey (2004) theory described how emotional intelligence equipped individuals with the ability to manage stress caused by their work. They argue that emotional intelligence enables individuals to create constructive relationships at work and in teams, expanding their ability in social relationships (Lopes et al., 2006).

In many of the studies, work performance is defined by the reflection of an individual's increase in salary or rank, as a result of the individual's ability to effectively regulate their emotions and with regard to stressful events or work pressure (Caruso & Salovey, 2004; Lopes et al., 2006). Hatfield, Cacioppo, and Rapson (1994) have remarked that emotional intelligence might help individuals in gaining more favourable social interactions, allowing them to feel welcome by their environment. Emotions in a social relationship are key determinants in the communication process; it allows necessary information to be exchanged or intentions and thoughts to be conveyed (Keltner & Haidt, 2001). Increased emotional intelligence encourages a greater ability to convey information, intentions, and thoughts (Hatfield, Cacioppo, & Rapson, 1994) and greater understanding of the exchanged information, intentions, and thoughts; results in a significantly more effective communication and, eventually, performance (Nowicki & Duke, 2001). In their study, Lopes et al (2006) found that emotional intelligence played a significant role in interpersonal sensitivity, friendliness, and contribution to conducive working environment.

3.2.1.2 Emotional Intelligence and Coping Behaviours

Negative coping behaviours can arise as a result of feelings of job insecurity. Hartley, Jacobson, Klandermans, and Vuuren (1991) defined job insecurity as a disagreement between employee expectations of their employment security with current levels of security. Employees might fear for the security of their jobs due to employment arrangements changes such as downsizing (Feldman, 1995). Other internal factors such as organisational restructuring or strategic change might also contribute towards job insecurity (Ashford et al., 1988).

Early research on job insecurity seems to suggest that job insecurity caused stress, lower employees' performance, decreased work effort and commitment, and worsened job satisfaction (Ashford et al., 1988; Kuhnert et al., 1989). Job insecurity can also lead to health problems as it can increase stress levels due to its vague nature (Kuhnert et al., 1989). In contrast, other researchers were inclined towards a more positive outcome such as better work effort and involvement (Greenhalgh, 1982; Galup et al., 1997). It is argued that job security in itself can influence work performance as it is linked to feelings of commitment, so when individuals feel that their jobs are not secure and are under threat, they will work harder to protect their spot (Greenhalgh, 1982).

To reconcile these two different points of view on job insecurity, Jordan, Ashkanasy, and Hartel (2002) proposed a theory where emotional intelligence played the role of a moderator. They argued that coping behaviours resulting from job insecurity tends to be negative in nature. They referred to it as negative coping, which is defined as "coping behaviours that are either unsuccessful or serve only to avoid or to

temporarily reduce perceptions of job insecurity, thereby instituting in a dysfunctional cycle” (Jordan, Ashkanasy, & Hartel, 2002, p. 367). When conceptualised as a moderator (Baron & Kenny, 1986) and an exploratory variable (Saklofske et al., 2012), emotional intelligence allows employees to understand complex relationships which will lead them to avoid engaging in negative coping behaviours (Jordan, Ashkanasy, & Hartel, 2002).

3.2.1 Emotional Intelligence and Coping with Organisational Change

George and Jones (2001) suggest that employees with higher emotional intelligence levels are more likely to recognise signs of “a need for change” and adapt to subsequent inconsistencies arising from change. This is because those with high levels of emotional intelligence are more adaptive and alert to their own moods and feelings, and have a more comprehensive understanding and knowledge of emotions that they are feeling (George & Jones, 2001).

Aside from George and Jones (2001), Goleman (1995) also supports this claim. In conceptualising emotional intelligence as part of personality theory, they proposed that emotional intelligence helps individuals to be more adaptable to environmental strains and pressures as it involves one’s “non-cognitive capabilities, competencies, and skills” (Vakola, Tsaousis, & Nikalaou, 2004, p. 93). Other researchers have also found that emotional intelligence positively affects one’s career success (Dulewicz & Higgs, 1998; Weisinger, 1998), leadership performance (Cooper & Sawaf, 1997; Palmer et al., 2002; Higgs & Rowland, 2002; Prati et al., 2003), job security (Jordan et al., 2003), ability

to recognise the need for change (Huy, 1999), coping behaviours (Nikolaou & Tsaousis, 2002; Slaski & Cartwright, 2002) and strategies (Bar-On, 2000) for managing stressful situations.

Vakola, Tsaousis, and Nikalaou (2004) suggested that studying employees' emotional intelligence would help the organisation understand organisational change at the level of the individual. They proposed that emotional intelligence would contribute to a greater understanding of the employees' emotional consequences of organisational change, believing that when employees encounter stressful and emotionally-exhausting events (such as change), those with low control of their emotions will respond negatively to change, while those with high control will respond positively.

Coping behaviour is related to the last dimension of emotional intelligence (Vakola, Tsaousis, & Nikalaou, 2004), which refers to one's ability to manage and regulate one's emotion (Mayer & Salovey, 1997). Generally speaking, organisational change affects multiple aspects of the organisation such as distribution of resources, power, and etcetera. At this point, employees will have to re-evaluate their beliefs, expectations, and skills (Regar et al., 1994). Being able to positively manage and regulate one's emotions is essential to one's effectiveness in coping with change (Huy, 1999) as it will allow them to work through conflicts, adjust with efficiency, generate solutions to problems, or even adopt new necessary skills (Vakola, Tsaousis, & Nikalaou, 2004), in addition to being an indicator of emotional stability (Mayer & Salovey, 1997).

This particular dimension of emotional intelligence is seen as professional behaviour that is highly desirable for employees who hold high positions in the

organisation such as managers or supervisors (Huy, 1999) where they are expected to be able to regulate their feelings even during difficult and stressful circumstances. Some argue however that the impact of organisational change procedures and employees' personality traits on dealing with organisational change may be overestimated and that experiences and individual skills play similarly important roles throughout the process (Smollan, Mathney, & Sayers, 2010).

3.3 Personality Traits and Coping with Change

Personality traits are often associated with individual performance such as job satisfaction, intention to leave, self-worth, perceived control, and job performance (Carver & Scheier, 1986; Aspinwall & Taylor, 1992; Taylor & Brown, 1998; Judge, Locke, Durham, & Kluger, 1998). During critical or threatening experiences, one will go through three stages of the readjustment; the first stage is an attempt to understand the meaning of the event, the second stage is to attempt to become an "expert" over the experience, and finally to be able to gain or increase self-esteem that is needed to help one through the readjustment process after a personal setback (Taylor, 1983; Kumar & Kamalanabhan, 2005).

Individuals who manage to maintain a healthy state of mind during stressful experiences usually have high levels of self-worth, perceived control, and high levels of optimism (Aspinwall & Taylor, 1992; Taylor & Brown, 1998; Kumar & Kamalanabhan, 2005). Each of these variables contribute to a certain pattern of behaviour that allows them to maintain their well-being during the change process. As they help individuals to

be open to new ideas, those with these characteristics tend to view change in a more positive manner compared to others who lack such characteristics. Intervening variables are not limited to these three characteristics - other characteristics such as self-esteem, or locus of control will also have an effect on an individual's perceptions of the event (Judge, Locke, Durham, and Kluger, 1998)

The Big Five personality traits have played significant roles in employee behaviour, such as job performance or job satisfaction (Luthans, 2002; Kumar and Kamalanabhan, 2005; Chamorro-Premuzic, 2007). Openness to experience has often been cited as the most significant of the personality traits in influencing such behaviours (Kumar and Kamalanabhan, 2005).

Openness to experience, which characterises individuals who often have the tendency to become involved in intellectual activities, is a trait that does not oppose change or new experiences and ideas (Chamorro-Premuzic, 2007). These types of individuals generally presume things to be for their own good, and often expect positive outcome even during circumstances perceived by others as stressful. Most literatures have associated openness to be positively related to an individual's ability to adopt more effective coping strategies (Natali-Aleman, 1991), while those low in openness are most likely to engage in ineffective strategies (Smollen, Sayers, & Mathney 2010).

Extraverted employees, on the other hand, are more likely to be vocal and active in looking for intellectual solutions to problems faced in their coping with change (Costa & McCrae, 1992). Kardum and Krapic (2001) suggested in their study that extraverted individuals would adopt both problem-focused coping and emotional-focused coping during organisational change. Employees with high agreeableness very

often feel responsible of their colleagues' coping experiences (Smollen, Sayers, & Mathney 2010). These individuals are also more likely to be less anxious and less depressed than those with low agreeableness level (Lodi-Smith & Roberts, 2007). High level of neuroticism, on the other hand, will increase the likelihood of individuals engaging in problematic coping behaviour such as wishful thinking or withdrawal (Connor-Smith & Flachsbart, 2007).

3.3.1 Personality Traits and General Organisational Behaviour

Similar to emotional intelligence, behaviours derived from an individual's openness level helps to reduce the experience of stress in high pressure situations. Personality traits play a major role in determining one's performance – be it in a personal relationship, health, or job performance. The relationship between personality traits and job performance is central to the present research in that it aims to examine how personality traits affect how well one is able to deal with change in an organisation.

According to Chamorro-Premuzic (2007), it is common to find that conscientiousness is consistently and strongly correlated with job performance. This is because individuals with high conscientiousness tend to be organised, more self-disciplined than others, competent, and strive for achievement. Although not as strongly as conscientiousness, neuroticism has consistently been shown to be related to job performance. Especially where individuals with lower levels of neuroticism, and thus higher emotional stability, are able to perform more effectively.

Because one's ability to cope can be linked to one's performance at work, an examination of how personality traits affect the ways in which individuals cope with change becomes necessary. The present research intends to examine how all of the big five personality traits are related to one's behaviour towards change. Personality has been extensively studied in organisational contexts and has shown to be linked to various work attitudes and behaviours such as job performance, job involvement (Mowday, Steers, & Porter, 1979; Lodi-Smith & Roberts, 2007), job satisfaction (Luthans, 1998; Kumar & Kamalanabhan, 2005; Chamorro-Premuzic, 2007), self-worth, perceived control, and optimism (Aspinwall & Taylor, 1992; Taylor & Brown, 1998; Kumar & Kamalanabhan, 2005).

3.3.1.1 Personality Traits and Social Investment

Roberts, Wood, and Smith (2005) defined social investment as an emotional and social investment in adult social roles. Individuals usually invest in their social roles, be it at work, family, religion, or volunteerism, and form a psychological commitment to their roles. In the context of the organisation, social investment is explained as an individual's behaviour at work, where job involvement, organisational citizenship behaviour (OCB), and organisational commitment comprise the three most consistent psychological variables (Lodi-Smith and Roberts, 2007). Here, job involvement is defined as being deeply engaged in their work and perceiving their job as the centre of their life (Mowday, Steers, & Porter, 1979). OCB, on the other hand, is a reflection of an individual's involvement and commitment to their organisation (Lodi-Smith & Roberts, 2007). Their strong sense of belonging helps them to contribute positively to their

organisation, thereby achieving tasks and goals more efficiently (LePine, Erez, & Johnson, 2002). Organisational commitment is an individual's cognitive and emotional attachment to their organisation, where a strong affection towards their organisation has developed (Allen & Meyer, 1990).

A study conducted by Lodi-Smith and Roberts (2007) explored how the three variables were connected to an individual's personality traits, establishing the importance of these traits in determining an individual's social involvement at work. Positive relationships were found between one's social investment and agreeableness, conscientiousness, and emotional stability. People who possessed high levels of these traits are more likely to be involved in social investment. This also may work in the opposite direction, where it is possible that individuals become more agreeable, conscientious, and emotionally stable because of their social investment at work.

The findings from these studies illustrate therefore how personality traits can be used to predict individual behaviour in an organisational context. Moreover, it was also found that those who socially invest in society (for example: work, marriage, and community) were usually "warmer, more responsible and organised, and less anxious and depressed than others", all of which may help individuals cope with organisational change.

3.3.1.2 Personality Traits and "Good Fit" People for the Organisation

Organisations expend resources and effort to gain and maintain the right people, investing in recruitment and selection processes as well as training programs to

maintain a “good fit” between the individual and the organisation (Caldwell & O’Reilly, 1990; Chatman, 1991). A “good fit” is often referred to as person-organisation fit, which is defined as the resemblance or similarity between the values of the organisation and the values of its employees and potential recruits (Chatman, 1991). To gain an adequate person-organisation fit, organisations concentrate on the values that they might share with their employees.

Organisational values themselves are often considered a part of organisational culture (Barley, Meyer, & Gash, 1988) and many researchers are in agreement that organisational culture can determine the “fitness” of individuals to the organisation (Rousseau, 1990; Chatman, 1991). Many have suggested that organisational cultures are products of the majority of individuals inside of the organisations (Schein, 1985; Enz, 1988). Individual values in this context are often defined as principles that a particular mode of conduct or end-state is superior to its opposite (Chatman, 1991). Individuals usually use their values to rationalise the values of the organisations that they are in.

To establish person-organisation fit, organisations undergo the process of recruitment, selection, and organisation choice. A study by Chatman (1991) showed that when individuals personally preferred the values that the organisation held, they showed less intention to leave the organisation and tended to stay longer. There is a lack of research on how personality and recruitment, selection, and organisation choice processes might be connected. Instead, research tends to focus more on selecting individuals based on their enthusiasm instead of ability, potential performance or their compatibility with the organisations (Rynes & Boudreau, 1986).

These findings have highlighted the need to explore McCrae's (1987) five-factor of personality with regards to person-organisation fit, specifically the 'openness to experience' factor. Although it did not investigate how personality traits would seriously affect a person-organisation fit, it raises one's curiosity on the roles of personality traits in this relationship and the organisational context in general. The study also suggests exploring how people influence organisations instead of emphasising only on how organisations influence organisations, which complements McCrae and Costa's (1997) statement on the importance of including openness in their selection process.

3.3.1.3 Personality Traits and Organisational Citizenship Behaviour

In the context of the organisation, organisational citizenship is regarded as an important indicator of work effectiveness (Allen & Rush, 1998; Chiaburu et al., 2011). Researchers, however, are yet to agree on the relationship between OCB and personality traits. Some state that the *openness* trait is not in any way related to OCB (Organ et al., 2006), while others have shown that personality traits are in part related to OCB through the interpretation of general behaviours as part of an individual's personality (Hurtz & Donovan, 2000; Hogan & Holland, 2003; Chiaburu et al., 2011).

Conscientiousness, agreeableness, and emotional stability are the three most common traits associated with OCB. Researchers interpret individuals' (pro)social behaviour as representations of these three traits. Chiaburu et al., (2011) suggest that these behaviours include having positive social interactions (Hogan & Holland, 2003),

and a stable and healthy personality (Mount, Barrick, & Ryan, 2003; Ones, Viswesvaran, & Schmidt, 1993), respecting social norms (Paulhus & John, 1998), and an ability to restrain one's impulses (Digman, 1997),

Extraversion and openness to experience on the other hand consists of representations such as proactively seeking success in life (Hogan & Holland, 2003); desire for power and status (Paulhus & John, 1998); and being inclined towards personal growth and self-actualisation (Digman, 1997). Chiaburu et al., (2011) further suggests that apart from conscientiousness and agreeableness, other personality traits may also be useful in predicting OCB. They argued that personality may be a better predictor of OCB than job satisfaction (Chiaburu et al., 2011)

Many organisations choose their employees based on previous performance records and/or their enthusiasm towards their job (Chatman, 1991; Chiaburu et al., 2011). However, by studying or, at least, taking into account their potential employees' personality traits, organisations may be better able to predict which individuals are more suited to the organisation and more likely to show increased citizenship behaviours at the point of application (Borman & Penner, 2001; Podsakoff et al., 2009). With most researchers agreeing that conscientiousness and agreeableness are the two major predictors of performance (Barrick, Mount, & Judge, 2001), openness and extraversion are deemed to be necessary for change-oriented citizenship (Chiaburu et al., 2011; Parker et al., 2010). Given that *openness* and *extraversion* can be used to predict change-oriented citizenship behaviour, it is then deemed appropriate to study the relationship of personality traits with an individual's ability to cope with organisational change.

Neuroticism, extraversion, and conscientiousness are often found to be moderately or highly related to organisational behaviours (DeNeve and Cooper's, 1998; Judge, Heller, and Mount, 2002; Lounsbury et al., 2003; Thoresen et al., 2003; Zimmerman, 2008). Those with high *extraversion* and *conscientiousness* are often more likely to be satisfied with their job (Judge, Heller, and Mount, 2002), have better career success (Lounsbury et al., 2003), and better job performance (Thoresen et al., 2003). Neuroticism, on the other hand, is positively related to one's intention to quit and turnover intentions (Zimmerman, 2008), and negatively related to one's job satisfaction (Judge, Heller, and Mount, 2002; Lounsbury et al., 2003). Finally, conscientiousness is found to be positively related to an individual's performance at work (Thoresen et al., 2004).

3.3.2 Personality Traits and Coping with Change

Connor-Smith and Flachsbart (2007) linked personality and temperament as patterns of one's thoughts, feelings, and behaviour that are gradually developed and based on all sorts of situations that one has gone through (Suls, David, and Harvey, 1996). They are believed to affect one's perceptions and assumptions of events that will eventually influence one's ability to respond accordingly to situations (Connor-Smith and Flachsbart, 2007). This ability is often referred to as *trait coping* which is defined as specific ways individuals respond to any kind of change in any kind of environment (Beutler, Moos, & Lane, 2003). Skinner (1995) and Eisenberg, Fabes, and Guthrie (1997) have suggested that coping can be described as something unconscious, involuntary and almost entirely automatic for an individual (Connor-Smith and Flachsbart, 2007).

3.3.2.1 Personality Traits and Adjustment to Change

In the context of organisational change, personality is one of many variables that will affect one's responses to the coping process (Smollan, Mathney, & Sayers, 2010). Depending on how the individual perceives change, organisational change can encourage either positive or negative emotions (Huy, 2002; Fineman, 2003).

Vakola et al. (2004) identified personality traits that affect an individual's adjustment to change. In their study, they found that extraversion, openness, agreeableness, and conscientiousness were positive attributes to change and might contribute towards the overall success of organisational change initiative. Many studies have also suggested that openness to experience has positively influenced an individual's ability to cope with change (McCrae, 1994; Watson & Clark, 1997; Vakola et al., 2004).

Connor-Smith and Flachsbar (2007) suggest that personality's effect on coping can be manifested through direct effects and indirect effects. Personality can have direct influence on coping through the development of behaviours during one's early childhood (Derryberry, Reed & Pilkenton-Taylor, 2003) that are specifically manifested in times of stress or change. Studies have shown that coping behaviour is most likely linked to biology and is part of an individual's natural defence mechanism (Connor-Smith & Flachsbar, 2007; Derryberry, Reed, & Pilkenton-Taylor, 2003). Over time, these strategies evolve as individuals get socialised into the real world or gain other experiences.

As an indirect predictor, personality affects coping through situational and contextual factors such as stress, work-family conflicts, demands, uncertainty and even the level of intensity of stressful events (Connor-Smith & Flachsbart, 2007). Similar to the notion of practices effects, individuals with fewer past experiences of stress are less likely to withstand the undesirable state as compared to those who have previous experiences with coping with stress. Previous stress-coping experiences often lead to more positive approaches to coping since they already had practice beforehand. Hence early exposure to stress particularly in childhood may indirectly influence coping in the latter part of their lives (Connor-Smith & Flachsbart, 2007).

Individuals with high levels of openness will naturally adopt organisational change, especially if it is deemed beneficial to the organisation, employees in general, and specifically to themselves (Watson & Clark, 1997; Vakola et al., 2004). Thus they tend to find change enjoyable and are likely to not oppose change (Smollen, Sayers, & Mathney, 2010).

Similarly, Vakola et al. (2004) also found positive correlations between coping and three other personality traits; extraversion, agreeableness, and conscientiousness. Conscientiousness is positively related to one's ability to continue performing during times of corporate downsizing (Brennan & Skarlicki, 2000) and assuming leadership roles in the initiations of change (Moon et al, 2008; Vakola et al., 2004)

Because conscientiousness as a trait is used to describe individuals with a proactive personality who tend to be responsible and self-disciplined (Costa & McCrae, 1992), individuals with high conscientiousness levels are more likely to adopt organisational change, even if they have negative feelings about it (Smollen, Sayers, &

Mathney, 2010). Herscovitch and Meyeer (2002) suggest that the latter may be due to feelings of obligation and normative commitment. Indeed, several studies have found that individuals high on conscientiousness often initiate change in the organisation (Vakola et al., 2004; Moon et al., 2008).

Similarly, individuals with high levels of agreeableness are usually considerate, modest, kind, straight-forward, and tender-minded, and therefore trustworthy (McCrae & John, 1992, Costa & McCrae, 1992). Agreeable individuals find the display of empathy and sympathy to be beneficial to their wellbeing and feel a sense of responsibility in supporting colleagues in coping with organisational change (Smollen, Sayers & Mathney, 2010). This behaviour is usually more prominent when they identify colleagues who have had more traumatic or negative experiences with the change (Smollen, Sayers, & Mathney, 2010).

Extroverts, on the other hand are more likely to voice out their opinions and feelings (Smollen, Sayers, & Mathney, 2010), which allows them to manage their emotions and take a proactive stance when faced with organisational change (Vakola, et al, 2004).

Despite numerous findings relating personality with coping with organisational change, studies have also shown that whilst having a high level of *conscientiousness*, *agreeableness*, or *extraversion* may lead to positive coping strategies; it does not always mean that one will welcome organisational change. Employee behaviour is not just influenced by personality but also by other factors such as perceptions, previous experiences and attributes (Lau and Woodman, 1995). For instance, if an organisational change initiative is deemed or perceived to be unjust and

hostile; those with high levels of the three aforementioned traits are most likely to resist the proposed or on-going organisational change (Chawla & Kelloway, 2004; Bareil et al., 2007; Smollen, Sayers, & Mathney, 2010). Other non-dispositional variables that may affect employees' reaction to change includes organisational climate (Kruglanski et al., 2007), job security, trust in management, power (Oreg, 2006), and workload (Bareil et al., 2007). These factors can influence employees' acceptance or resistance of change initiatives regardless of their conscientiousness, agreeableness, and extraversion level (Smollen, Sayers, & Mathney, 2010).

Moreover, neuroticism was found to be negatively related to one's coping behaviour (Vakola et al., 2004). Individuals with high levels of *neuroticism* tend to feel stressed, have negative biases, and anxiety towards change (Smollen, Sayers, & Mathney, 2010). As a result, they tend to respond to organisational change in a negative manner instead of being calm or relaxed (Costa & McCrae, 1992).

3.3.2.2 Personality Traits and Resistance to Organisational Change

This section aims to explore the relationship between personality and resistance towards organisational change. According to Bovey and Hede (2001), resistance to organisational change is one of the most cited problems encountered by management during any change process. Resistance is costly and often difficult to anticipate, causing it to be one of the first issues that management will take into account in their organisational change plan (Pardo Del Val and Fuentes, 1967). In considering the coping cycle, which is primarily marked by *denial* (Carnall, 1990),

resistance to change is expected to be a natural part of the process. This is because individuals prefer to be comfortable in their everyday lives and wish to remain in their comfort zones. Darling and Steinberg (1993) propose that individuals will have different comfort levels based on their specific personality traits, resulting in various resistance levels (Oreg, 2006). Some will embrace and welcome organisational change, some employees may passively resist it, while others may actively act against it (Eriksson, 2004).

In most resistance cases, employee resistance usually stems from the possibility of personal loss instead of the organisational change itself (McKenna, 2000). Resistance is defined as negative behavioural intentions on the change implementation, including organisational structure or administrative procedures, and it may cause employees to resist the process (Metselaar, 1994). Individuals generally create habits in their everyday life, including at work, where these habits reflect their beliefs, routines, and rituals. Organisational change threatens these habits, regardless of the change being positive or negative.

It is proposed that personality traits will affect employees' resistance levels. Those with a high level of conscientiousness, agreeableness, or extraversion will support organisational change when it is deemed favourable (Vakola et al., 2004) and for as long as it does not disturb their formed habits (Metselaar, 1994). In other words, the less favourable and the more disruptive the organisational change to their habits, the more likely employees will display resistance towards organisational change.

Employees with levels of agreeableness tend to show compassion and empathy (McCrae & John, 1992, Costa & McCrae, 1987), and thus will show resistance

when they are exposed to disruptive organisational change that negatively affects them and the people around them (Smollen, Sayers, & Mathney, 2010). Highly conscientious individuals on the other hand are usually accustomed to change, regardless of its effects (Brennan & Skarlicki, 2000), while those with high extraversion levels tend to welcome organisational change (Smollen, Sayers, & Mathney, 2010).

Resistance also often emerges from employees with high levels of neuroticism who tend to exhibit low tolerance for change (Kotter, 1996) as a result of their tendency to experience negative emotions (Costa & McCrae, 1991). Metselaar (1994) classifies the latter as a psychological barrier to organisational change.

Employees may resist change passively or actively (Greenberg & Baron, 2002). Passive resistance refers to controlled behaviour towards organisational change. Individuals who passively resist often detest learning new routines (Greenberg and Baron, 2002), withdraw from change, and often try to ignore organisational change completely (Bovey & Hede, 2001). Individuals high in neuroticism are more likely to use passive resistance behaviours (Smollen, Sayers, & Mathney, 2010).

Active resistance on the other hand, refers to any behaviour that is disruptive towards the organisational change process, such as intentional sabotage or mistakes (Greenberg & Baron, 2002). Examples of active resistance can include writing complaint letters to the supervisor, gossiping, or going on strike. Extroverted individuals are more likely to engage in active resistance as they cope with organisational change by voicing out their opinions and feelings (Smollen, Sayers, & Mathney, 2010). They find it easy to express their dislike or disagreement over a change initiative as compared to those who

are not extroverted (Chawla & Kelloway, 2004; Bareil et al., 2007; Smollen, Sayers, & Mathney, 2010).

3.4 Gender, Age, and Tenure Effects on Coping with Organisational Change

Gender, age, and tenure are often mentioned as covariates or moderators in many organisational and coping studies (Cooper & Faragher, 1992; Costa, Terracciano, and McCrae, 2001; Cordery et al., 1993; Tamres et al., 2002; Vakola, Tsaousis, and Nikalaou, 2004; Rosen and Jerdec, 1976). This section aims to explore the role of the three variables in coping with organisational change.

3.4.1 Gender

In general, men are more likely to engage with problem-focused coping strategies while women are more likely to engage with emotional-focused coping strategies (Cooper & Faragher, 1992; Horwitz and White 1987; Tamres et al., 2002). Men tend to rely on alcohol to cope with stressful events and demonstrate more alcohol-related problems as a result (Abrams & Wilson, 1979; Sutker et al., 1982). The likelihood of such behaviour is higher when men exhibit high problem-avoidance levels (Cooper, & Faragher, 1992). Women, on the other hand, internalise their stress and are more likely to display symptoms of depression or anxiety (Dohrenwend et al., 1978). Women tend to treat the display of emotions, such crying, as a part of the coping

process (La France & Banaji, 1992; Grossman & Wood, 1993). These gender differences are reinforced even further when individuals have a stronger sense of gender roles (Tamres et al., 2002).

In relation to organisational change, findings on gender, however, are inconsistent. Decker et al. (2001) found that male employees reacted more negatively to change compared to female employees. However, Cordery et al. (1993) found that men were more resistant in comparison to women only when they believed that they were expected to learn skills that were traditionally of the opposite gender. Iverson (1996) and Vakola et al. (2004), on the other hand, did not find any relationship between gender and resistance behaviour during organisational change.

The effects of gender on coping behaviours are strongly determined by their gender socialisation (Tamres et al., 2002). For example, in gender socialisation theory, men are taught to suppress their emotions and to be direct and assertive, causing them to be either more problem-focused or showing denial in coping with stressful events (Abrams and Wilson, 1979; Sutker et al., 1982). Women, on the other hand, are stereotypically sensitive and embrace processes more than results, causing them to exhibit emotional behaviour such as crying and to over analyse the emotions they are experiencing (Dohrenwend et al., 1978; Grossman & Wood, 1993).

There are several theories that explain why these gender differences occur. Tamres et al. (2002) refer to this phenomenon as a *dispositional hypothesis*, which stipulates that these differences exist regardless of whether it was innate or learned. Tamres et al. (2002) argue that it would be difficult to differentiate which parts of this

phenomenon are caused by biological reasons or which other parts are caused by socialisation.

According to the role constraint theory (Rosario et al., 1988), gender differences in coping behaviours may be a result of women and men's perceived roles and the nature of the stressors themselves. For example, stressful events at work are more likely to require more problem-focused coping strategies as these events may need to be effectively solved and results may be necessary, while stressful events at home may require more emotion-focused coping strategies. Similarly, stressful events at home may be deemed to be more stressful than stressful events at work or vice versa.

Role constraint theory (Rosario et al, 1988) proposes a situational hypothesis in explaining gender differences in coping with change. For example, women are expected to fulfil a more significant role at home, even when they are pursuing their careers. Working women are expected to take on the primary role of caregiver of children compared to working men (Blair & Lichter, 1991). Additionally, women also face different stressors at work, and often times women's efforts are less valued compared to men of the same ability (U.S. Bureau of Labour Statistics, 1998). Such biases may affect women's perceptions and choice of coping, as some might feel that they do not have control over the situation and undertaking problem-focused coping strategies may be too risky or even impossible (Tamres et al., 2002)

Gender differences also exist in emotional intelligence. Several studies have found that women tend to score higher in emotional intelligence in comparison to men (Schutte et al., 1998; Ponterotto et al., 2011). Gilligan (1982) suggests that this might be

due to the gender roles women are exposed to throughout their lives. Given that women are expected to be sensitive to others' feelings, it allows them to be better at regulating their own emotions compared to men, who are expected to be assertive (Ponterotto et al., 2011).

3.4.2 Age

According to Baltes and Schaie (1976), age is often defined as the index of experiences linked to one's existence. Age has always been as an important aspect of diversity in the workplace. Many have shown that age diversity in organisations may result in lower levels of performance evaluation (Judge & Ferris, 1993), ineffective communication (Zenger & Lawrence, 1989), and a higher turnover rate (Wagner et al., 1984; O'Reilly et al., 1989). Older employees are often stereotyped as more resistant to change and organisations anticipate more negative response from older employees compared to their younger colleagues (Rosen and Jerdec, 1976).

However, although age has been shown to be an important variable in organisational research, age is often seen as a non-predictor in the context of organisational change, as it is more of an index of life experiences, such as family and social life, instead of an index of organisational experiences. This is supported by Vakola and Nikolaou's (2005) study where they split their sample into four age groups. Their results show that there were no differences in attitude towards organisational change between the age groups. Instead, discrimination towards older employees may actually play a more prominent role than the age itself, as older workers are stereotyped to be

more resistant towards the process. Rosen and Jerdec, (1976) state that older employees may be excluded from the organisational change process itself due to this discrimination, in which they are immediately reassigned to a different position without an opportunity to learn and improve their performance. In this regard, tenure is perceived as a better representation of one's organisational experiences (Rosen & Jerdec, 1976) compared to age. Age may only play a role in organisational experiences when age and tenure are not interrelated (Beck & Wilson, 2000) and when older employees do not experience discrimination (Rosen & Jerdec, 1976).

3.4.3 Tenure

Baltes and Schaie (1976) define tenure as an index that indicates one's experiences with an organisation, which includes how long one has worked with one's current organisation. Within an organisation, Tushman and Romanelli (1985) suggest that those with executive positions have less potential of initiating and implementing strategic change. This is due to the stability they may enjoy with their position and because they are more likely to be protected even during periods of change (Goodstein and Boeker, 1991). It is argued that the longer the employee's tenure, the more likely they are able to develop rigid cognitions and are less likely to encourage and advocate organisational change (Boeker, 2016; Finkelstein & Hambrick, 1990) and are more committed to current procedures and systems (Venderberg & Self, 1993; Beck & Wilson, 2000). This was supported by a study conducted by Miller (1991), who found that long-tenured top executives rarely introduced new procedures or systems, nor were they inclined to modify current ones to fit the current situation of the organisation. Another

possible reason for this phenomenon is the fact that long-tenured employees tend to have a better understanding of current procedures (Finkelstein & Hambrick, 1990), making them reluctant to change. They also tend to show more commitment to organisational culture and norms (Bantel & Jackson, 1989). Conversely, Beck and Wilson (2000) found that early tenure employees showed lower levels of commitment to the current organisational culture, norms, and systems, which could possibly be attributed to a number of factors such as a breach in psychological contract, culture/reality shock, and negative working experiences.

A study by Iverson (1996) showed that there was a negative relationship between tenure and attitudes to change, but a study by Vakola, Tsaosus, and Nikalaou (2004) found that there was no relationship between the two. It has also been suggested that treating tenure and organisational commitment as positively related may actually be false (Beck and Wilson, 2000) and only longitudinal studies would be able to determine the direction of the relationship between tenure and organisational commitment in an organisational change context. If tenure and age are strongly correlated, it may yield biased results in the relationship between age and attitudes towards change.

Allen & Meyer (1990) posit that the type of experiences employees face as their tenure increases would determine their commitment to current procedures and systems (which will in turn determine employees' attitude towards organisational change). If employees face more negative experiences during their tenure, they are more likely to be less committed to current procedures and systems and probably more willing to introduce organisational change initiatives (Beck & Wilson, 2000).

3.4 Research Questions

Based on the review of relevant literature in the preceding sections of this chapter, there are several questions that the present research aims to address. Treating both coping and organisational change as organisational processes, the present research seeks to identify trends in coping, in the context of organizational change. The study also identifies internal and external factors involved in the organisational change that the chosen company went through.

While studies from management literature tends to focus on organisational level variables in coping with change, the present research intends to examine coping with change at the level of the individual with a view to identifying trends and/or patterns of coping behaviours during the process of organisational change. It is ultimately concerned with understanding and providing insight into individuals' behaviour during organisational change process. In accordance with the conceptual frameworks mentioned in this chapter, the role of emotional intelligence and personality traits as independent variables in learning individual behaviour in organisational change will also be examined.

In the context of the BF personality traits, three questions arise in relation to personality and organisational change. Personality traits (specifically the BF personality traits) were shown to be related to job performance, job satisfaction, or other organisational behaviours. This sparked curiosity within the researcher as to whether or not this phenomenon can be applied to the context of coping with organisational

change. Because personality traits could affect an individual's perception and cognition of the change event (Smollan, Mathney, & Sayers, 2010), it is likely to be essentially related to their coping behaviours which arose from this is:

1. Do personality traits correlate to employees' coping behaviour in organisational change?

In the context of emotional intelligence, chapter 2 has discussed the nature of emotional intelligence and the significance of emotional regulation. Chapter 3, on the other hand, has discussed how emotional intelligence has been studied in relation to other organisational behaviours. This argument is central to the present research which aims to explore the relationship between emotional intelligence and coping behaviour in context of organisational change. It was discussed in previous sections that emotional intelligence helps individuals to be more adaptable to environmental strains and pressures as it involves one's "non-cognitive capabilities, competencies, and skills" (Vakola, Tsaousis, & Nikalaou, 2004, p. 93). From the discussion on emotional intelligence, the present research explore, the relationship between emotional intelligence and individual coping behaviour in the context of organisational change. The question below arose from this proposition:

2. Is emotional intelligence correlated to employees' coping behaviour in organisational change?

Lastly, the present research aims to examine the potential role of demographic variables that might influence the relationship between personality, emotional intelligence and coping with organisational change. Specifically, as follows:

3. Do (a) age, (b) gender, and (c) tenure have moderating effects on the roles of personality traits and emotional intelligence in coping with organisational change?

3.5 Research Hypotheses

Based on the conceptual frameworks presented, with the basis of exploratory study, several hypotheses can be drawn. The first hypothesis considers whether an individual's coping with organisational change will be correlated to their personality traits. Many studies have suggested that personality traits are significantly correlated with adjustment to change (McCrae, 1994; Watson & Clark, 1997; Vakola et al., 2004) and resistance (Del Val and Fuentes, 1967; McKenna, 2000; Metselaar, 1997; Smollen, Sayers, & Mathney, 2010). With these findings as part of this study's conceptual frameworks, the first hypothesis is as follows:

- H1. Are personality traits correlated to employees' coping behaviour in organisational change?
 - a. (a) Openness to experience, (b) agreeableness, (c) extraversion, and (d) conscientiousness traits and individual's behaviour in coping with organisational change are positively correlated.
 - b. The (e) neuroticism trait and an individual's behaviour in coping with organisational change are negatively correlated.

The second hypothesis, considers whether an individual's behaviour in coping with organisational change is correlated to one's emotional intelligence.

H2. Emotional intelligence and an individual's behaviour in coping with organisational change are positively related.

The third hypothesis, which considers the moderating effects of age, gender, and tenure on the role of personality traits and emotional intelligence on an individual's behaviour in coping with organisational change positively correlated to one's emotional intelligence.

H3. Age, (b) gender, and (c) tenure have moderating effects on the roles of personality traits and emotional intelligence in coping with organisational change.

Chapter 4: State Owned Enterprise Explored

4.1 Chapter Overview

This chapter will provide details on the organisational context in which the present research has taken place. The research took place in an Indonesian state-owned enterprise which underwent significant organisational change. Prior to discussing the changes that have occurred in the study organisation itself, it is necessary to examine the wider economic, social and political context in which organisational change occurs, simply because such circumstances can be both drivers and/or barriers to change. As such this chapter will also explore the formation of state-owned enterprises in Indonesia in comparison with that of China and Malaysia, and discuss the role that government plays in such organisations.

4.2 State-Owned Enterprises Defined

State-owned enterprises, by definition, are described as economic entities or organisations which are controlled or owned by the government and generate income through the sale of products or provision of services (Jones, 1975). These entities are not to be confused with other government-owned bodies that generate their income from general revenues such as road maintenance agencies, public health, or research institutes. The term 'state-owned enterprise', can be problematic, as governments sometimes do not include smaller, locally-owned enterprises such as those owned by individual provinces or states, but rather, the entire country (Haggarty & Shirley, 1997).

4.2.1 State-Owned Enterprises around the World

State-owned enterprise initiatives were first developed to combat losses caused by the global economic crisis in 2008 (Bremmer, 2010). Many developing countries, until today, are still heavily relying on their state-owned enterprises (Ralston et al., 2006; Holz, 2003; Minkov & Hofstede, 2011) This chapter will explore cases of state-owned enterprises in China and Malaysia in comparison with a number of Indonesian SOEs. China was selected as a country for comparison due to the importance of SOEs to the country's economy (Ralston et al., 2006; Holz, 2003) just like Indonesia, while Malaysia was selected for its geographical and cultural similarity to Indonesia (Minkov & Hofstede, 2011).

4.2.1.1 The Case of China

In the past two decades, the Chinese economy has advanced greatly due to its international trade and foreign direct investments (Benson & Zhu, 2002). Many aspects of the Chinese economy have changed and state-owned enterprises are no exception to this. Economic reform has transformed the way state-owned enterprises are perceived (Ralston et al., 2006) and conducted, especially in relation to their goals and human resource management systems. In 2002, SOEs produced about 16 percent of the gross industrial output of the country and employed about 15 million (or roughly 14%) of the country's industrial workforce (National Bureau of Statistics, 2003, pp.459-460). However, the rise of the domestic public sector and growth of foreign controlled

businesses has brought challenges to the previous dominance of SOEs in China (Raltson, et al., 2006). This section will discuss the reforms state-owned enterprises in China have undergone in recent years to achieve their current success.

State-owned enterprises used to serve as a direct government agency with the intention of providing job opportunities (Zhu & Campbell, 1996) and meet production targets set by government agencies (Benson & Zhu, 2002). The term 'iron rice-bowl' became a regular metaphor to describe the lifetime employment system that was implemented in state-owned enterprises (Tan, 2003; Benson & Zhu, 2002). The 'iron rice-bowl' metaphor was derived from the Chinese perception of traditionally-made rice bowls which were thought to be fragile, as are employment and careers. By attributing the word iron, a strong, solid metal, to the rice bowl, the 'iron rice-bowl' represents stable jobs and careers that one can retain for a life time (Tan, 2003).

The 'iron rice-bowl' is only one part of the 'three old irons' system. This labour management system was seen as a necessary reform to change the labour market's perception of employment in SOEs (Ding & Warner, 2001). The 'three old irons' system consists of the 'iron rice-bowl', the 'iron wages', and the 'iron chair' (Ding & Warner, 2001; Benson and Zhu, 2002). The 'iron rice-bowl', as previously mentioned, is a metaphor used to describe secure lifetime employment, lifetime welfare, and unified job allocation (Warner, 1996; Tan, 2003; Benson & Zhu, 2002). The second iron, the 'iron wages', is a metaphor used to describe a state-administrated reward system, flat wage structures, low-wage policies, and complicated and inflexible wage schemes (Ding & Warner, 2001). This system is hugely influenced by the Soviet model based on socialist ideology (Takahara, 1992). Lastly, the 'iron chair' is used to describe the nature

of business management where the selection process is hugely influenced by political orientation, the absence of punishment for poor business performance, direct appointment to positions by governmental authorities, and factory directors are regarded as state cadres (Ding & Warner, 2001; Benson & Zhu, 2002). Due to the fact that cadres' income and welfare benefits are heavily influenced by their official status in the bureaucratic hierarchy, many try to climb the hierarchy to receive these extra benefits (Zhu & Campbell, 1996).

This, however, has changed. From 1986 onwards, The 'three old irons' system was gradually being disregarded following the introduction of more than twenty new laws on employment relations (Benson & Zhu, 2006); resulting in many SOEs starting to use the conventional employment contract system (Ding & Warner, 2001; Zhu & Campbell, 1996). The government has now started to concentrate more on preparing SOEs to compete in free markets, both locally and internationally, with more modern economic structures and systems (Benson & Zhu, 2006). SOEs are now treated as 'modern enterprises' where high performance is demanded, forcing them to change the nature of the organisations to fulfil these new expectations (Zhao et al., 2016; Ralston, et al., 2006).

By the late 1990s, the Chinese economic structure became more flexible and less centralised (Naughton, 1995) and many SOEs abandoned the 'three old irons' system (Benson & Zhu, 2006). As the economy has become more decentralised and more flexible to rival competitors, SOEs started to implement employment contracts, 'floating' wages, and a performance-based system (Berkowitz, Ma, & Nishioka, 2015; Yuan, 1990; Naughton, 1995).

4.2.1.2 The Case of Malaysia

Malaysia introduced a New Economic Policy (NEP) in 1971 with a plan for completion by the 1990s. The purpose of the NEP was mainly to eliminate poverty and to restructure society in order to encourage economic equality between ethnicities post British colonisation (Gomez & Jomo, 1999). During this period, extensive investments in the public sector¹ were implemented (Gomez & Jomo, 1999) and more state-owned enterprises (also known as government-owned enterprises to the locals) were involved in all types of economic activities. These enterprises were locally referred to as government-owned private (public limited companies) and one of three types of public enterprises. By definition, government-owned privates are enterprises that are fully or partially owned by the government and are usually structured as equity holdings². Many of these enterprises were established to encourage the Bumiputera³ to be more involved in trade and business. The enterprises were supported by the government and most legislative decisions, regulations, where financial resources were involved were in their favour (Low, 1985).

This policy was implemented due to racial discrimination against the Bumiputera during the British colonial era and was meant to be a temporary solution (Gomez & Jomo, 1999) to the issue of widespread poverty. However, by excessively favouring government-owned privates and providing human resource development for the Bumiputra, citizens who are non-Bumiputra exhibited a significant amount of

¹ Public sector concentrates on providing government services.

² Equity holding is a system where shareholders own the right to vote, receive distributed profit, own asset upon winding up of the company.

³ Bumiputra consist of those of Malay ancestry

discontent. Employment into the public sector – which also includes government-owned privates – consisted mainly of Bumiputera, as applicants of other ethnicities had a higher chance of being rejected (Gomez, 1994). Criticism of the NEP also included government's neglect of aboriginal groups native to the country (Gomez & Jomo, 1999). At the beginning of the NEP, non-Bumiputeras were promised that no party would be disadvantaged from this decision. However, many thought (and still think) otherwise. Many key economic sectors were dominated by government-owned privates that favoured Bumiputra, causing the career prospects of many non-Bumiputra firms in the industry to diminish greatly (Jesudason, 1989). As a result, many began risking less and concentrated more on short term investments (Yoshihara, 1988; Jesudason, 1989; Tan, 1993). This created more opportunities for foreign companies to enter the country and expand their businesses by politicking with Malay politicians (Jomo and Edwards, 1993), after which, many non-Bumiputera firms begin to adopt the same method (Gomez and Jomo, 1999).

With these criticisms, numerous complications arose and more government-owned privates began to perform inadequately. Similar to many SOEs in other countries, government-owned enterprises in Malaysia have to fulfil contradicting objectives. They were required to help the government to eliminate racial imbalance in the economy, whilst also bringing in profits. With the massive involvement of government in these government-owned privates, efficiency and profitability were greatly disrupted (Johnson & Mitton, 2003; Case, 2005). Discontentment from the non-Bumiputera also rose because of the perceived imbalance in treatment for non-Bumiputera citizens in the country (Koh, 2015).

This exclusively Bumiputera (Willemys, 2016; Koh, 2015) nature coupled with intense government involvement created an uncompetitive market, characterised by a lack of transparency and accountability and gross lack of competent labour (Kasper, 1974; Gomez, 1994). Such companies became heavily dependent on funds from the government and consequently failed to thrive because of complacency and poor performance. Because Bumiputeras were placed in comfortable positions, given large credit and scholarships, they became dependent on the government for their employment instead of creating their own businesses (Gomez & Jomo, 1997). Additionally, the supposedly temporary solution was extended in 1981 to finance heavy industrialisation programmes that later became a losing concern due to the lack of Bumiputera expertise, which, ultimately, forced Malaysia to import experts from Japan and China.

In 1983, Malaysia announced that it would create a privatisation programme to improve the country's economic situation, which was finalised in 1991 and named the Privatisation Master Plan (Gomez & Jomo, 1997). The government stressed that this plan would not conflict with the objective of NEP. Malaysia used this term in a vaguer sense, where it could mean transforming the public sector into the private sector, giving licences to existing private firms, or allocating private management to current public sector operations (Gomez & Jomo, 1997). The implementation, however, did not create a different outcome for Malaysia's economy. Although the divestment of SOEs helped Malaysia to ascertain its financial position (Jones, 1991), this did not eliminate the government's "over-involvement" in the economy (Gomez and Jomo, 1997). Many of the new private enterprises were governed by people who were the elite or at least had

some sort of connection with the ruling party, UMNO (Gomez, 1990; Gomez and Jomo, 1997). An increasing number of private companies started to lobby political figures, causing privatisation to become a rearrangement of economic and political power (Gomez, 1990). The transformation did not create the needed competition and anti-trust legislation. The existing inferior performance and inefficiency was replaced with a new kind of inefficiency due to inadequate control over new private monopolies (Jesudason, 1989; Gomez and Jomo, 2000).

Although other countries such as Singapore and South Korea have demonstrated the effectiveness of privatisation, the situation in Malaysia has raised questions on the appropriateness of privatisation as the “best-fit” solution to problems of this nature. The politics of ethnicity is seen as one of the biggest obstacles that Malaysia has to overcome in order for its privatisation plan to work (Milne, 1991). Even though the government claimed that the privatisation initiative would work in accordance with the NEP’s objectives, many argue that it was moving further away from the interests of the public. Companies started to concentrate solely on maximising profit and disadvantaging poorer consumers (Gomez and Jomo, 1997). Many of the privatisation processes did not involve an open auction system and implemented a first-come, first-served procedure that greatly advantaged businessmen with close connections to political bureaucrats, allowing politically driven economic decisions, even when government-owned enterprises were privatised (Gomez and Jomo, 1997). This was strengthened by the fact that this privatisation initiative was highly centrally directed, favouring political interest more than the public interest. Non-Bumiputra investors were further burdened with the need to create affiliations with significant

political figures to advance their businesses (Jones, 1991). Despite their efforts to join the new privatised firms, it only created more politically linked non-Bumiputra capitalists (Jones, 1991; Gomez & Jomo, 2000).

In 1991, Malaysia introduced a new plan called 'Vision 2020' (Mahathir, 1991). Despite many complications and an intensified politically motivated economy, the NEP managed to improve the prosperity of middle-class Bumiputra and decrease poverty levels by fifteen percent from the original forty-nine percent (Mahathir, 1991; Gomez & Jomo, 2000). However, many problems remain that need to be addressed. Vision 2020 aims to solve these problems, especially the unequal racial economy (Gomez & Jomo, 2000). Because Malaysia had been governed in a fairly laissez-faire manner, by introducing Vision 2020, the government hoped that it would create a different kind of environment that will encourage greater competition among businesses. Whether or not Vision 2020 will achieve its objectives by 2020, this new policy has created even less opportunities for government-owned enterprises to survive (Gomez & Jomo, 1997).

4.2.2 Summary of Current Concerns on State-Owned Enterprises

Although state-owned enterprises were created to curb economic losses and improve the economic situation during the recession, they have instead become a matter of great concern, as state-owned enterprises have begun to be used as a method of gaining political advantage. Bremmer (2010) referred to this phenomenon as state capitalism, which has in turn, raised questions on the effectiveness of

permanently keeping state-owned enterprises as they were perceived as ineffective in improving the economy.

One of the biggest concerns of SOEs monopolising major industries within the country is how commercial decisions are made by political bureaucrats (Menozi, Urtiaga, & Vannoni, 2012; Benson & Zhu, 2006; Bremmer, 2010). Political bureaucrats may have little or almost no knowledge about how to control commercial operations efficiently and effectively. In the petroleum industry, for example, where most organisations are owned by the government, the industry is undeniably less competitive than other industries. Private sector companies are often threatened by how political bureaucrats often make poor decisions or decisions that will only benefit SOEs and hinder the private companies (Bremmer, 2010). Others have also raised concerns on the mismatch between needs and skills within SOEs. This, in the long run, forms a bigger problem due to the lifetime employment system in SOEs, preventing SOEs from gaining advantage on their private sector competitors (Lu and Perry, 1997; Chan, 1998; Warner, 1999; Bremmer, 2010).

The involvement of political bureaucrats also jeopardises the motivation behind every decision made. In the theory of state capitalism, Bremmer (2010) states that investment decisions end up being politically-motivated instead of economically-motivated. China is a great example of how this might be the case. The Chinese Communist Party understands the importance of economic stability and prosperity. In the case of Malaysia, as mentioned in the previous section, when a politically motivated incentive is heavily rooted in SOEs, it becomes extremely difficult to eliminate the involvement of political bureaucrats in the country's economy. Even after multiple

privatisation programs, the Malaysian economy remains influenced by a politically motivated environment where instead of SOEs, the private sector is controlled by elites or those that are closely connected to the ruling government (Gomez and Jomo, 2000).

4.3 State-Owned Enterprises in Indonesia

SOEs have developed considerably in Indonesia since the Dutch colonisation era. In the early 1900s, the Netherlands introduced its Ethical Policy, which dictated that it would 'give back' to Indonesia as compensation for the resources they had acquired. Colonial enterprises were established to give many Indonesians job opportunities as well as education (Dick et al., 2002). This policy also included legal protection for Indonesians as a result of any negative effects caused by colonisation.

SOEs in Indonesia, often referred to as *Badan Usaha Milik Negara* (BUMNs), are companies of any form wherein their entire capital is owned by Republic of Indonesia, unless otherwise provided by the constitution (Ibrahim, 1997). Indonesian SOEs are known as corporations that are heavily influenced by the government but still possess the flexibility and some freedom of private companies (Anoraga, 1995).

4.3.1 The 1960s State-Owned Enterprise Incentives

In 1966, Indonesia started to construct state ownership in almost all sectors of its economy, with twenty percent of medium and large companies (Hill, 1992). At the beginning of this initiative, the role of state-owned enterprises was not clear but it

appeared that there were several main objectives of this initiative. With its poor economic performance and inability to earn profit from state companies, Indonesia saw an opportunity to earn revenue by putting its companies in a more competitive environment (Dick et al, 2002; Hill, 1992). By doing this, the government also claimed that these enterprises would no longer be dependent on the state budget. The second objective was then implemented because the Indonesian economy was mostly dominated by non-indigenous ethnic groups (mainly Chinese and Arabs, who comprised only a small percentage of the entire population). Around ninety percent of the modern sector was controlled by either foreign firms or non-indigenous firms. The government was reluctant to privatise its companies because of the diminishing *pribumi*⁴ (indigenous ethnic group) firms in many industries (Hill, 1992) and, similar to the case of Malaysia, it was hoping to lessen the racial imbalance in the economy (Hill, 1992). Thirdly, at that time, many regions of the country had shown discontent towards the government. Since its independence, the Indonesian political scene was considerably unstable and the central government was constantly criticised. The government hoped that this incentive would bring a “consolidation of power” and promote a more stable political situation (Hill, 1992).

When the initiative was first implemented, state-owned enterprises had relatively low performance (Hill, 1992). Even now, some of the SOEs still encounter financial problems and have to rely on the government to escape bankruptcy (Wakhidi and Sukarno, 2014). However, many SOEs have become hugely profitable, leading to the regulation of SOEs financing some of government’s expenditure. As time progressed,

⁴ *Pribumi* is a term used to describe indigenous groups that consist of diverse tribes. This term is similar to Malaysian term *Bumiputra*.

the purpose of SOEs have shifted from avoiding the privatisation of government firms and improving their performance (Hill, 1992) to maximising the wealth of shareholders, which, in this case, is the government (Wakhidi and Sukarno, 2014). From 1966 to 1998, with this incentive, Indonesia became one of the world's most impressive economies under one of the longest regimes of the country's recorded history (Hill, 1992).

The president at the time, Soeharto, was determined to solve many economic problems that the previous president failed to address – such as the fiscal crisis, debt, inflation and the declining level of investment (Dick et al., 2002). To address these problems, privatisation was introduced.

According to Nugroho and Wrihatnolo (2008), privatisation in Indonesia can only be done to SOEs that are *Persero* due to regulations in the capital market. In addition, *Perseros* are the only SOEs that participate in competitive markets. The privatisation of SOEs is believed to be a way to cover deficits in the state budget as SOEs will be able to seek capital from sources other than the government. Privatisation policies are usually made by the government to shift a part or the entirety of the assets owned by the state to a private company. In most cases, the final privatisation decision is heavily influenced by the political and economic situation of the country. The government is required to be competitive for globalisation in a free market to thrive, and this can only be accomplished if the company is managed professionally. One solution to this can be the incorporation of the private sector.

According to the Fiscal Policy Agency, also known as *Badan Kebijakan Fiskal* (BKF, 2012), privatisation in Indonesia can be done through various methods: initial public offering, below 50% private placement by domestic investors, above 50% private

placement, and below 50% private placement by foreign investors. The first privatisation method is through initial public offering (IPO). Privatisation through IPO will raise funds to cover deficits in the state budget. IPO concentrates more on fundraising and will not affect the management of SOEs. First, SOEs have to enlist the assistance of an investment banker (Certo, 2003). Following that, a registration statement is then prepared. Once all requirements are met, SOEs can start to promote themselves to potential investors. However, considering how some SOEs in Indonesia perform at an unsatisfactory rate, this promotional phase can be difficult (Rock, 1986) due to the lack of an adequate track record (Certo, 2003).

The second method of privatisation is by putting a below 50% private placement by domestic investors (BKF, 2012). This alternative will also raise funds to cover the deficit in the state budget. Unlike public offering, private placement is a method wherein offers to raise capital are executed privately and only to selected potential investors. Generally, this method will not have an impact on a company's existing management style, technology and working culture. The Indonesian government also adopted a third method of above 50% private placement by domestic investors. This method is generally similar with the second method, however, above 50% private placement also means that there exists the possibility of it impacting upon the company's existing management, technology, and culture.

The fourth privatisation is below 50% private placement by foreign investors. This alternative will increase capital inflow to Indonesia, positively impacting the country by aiding its economy's turnaround and employment (BKF, 2012). The Indonesian government also adopted a fifth method of above 50% private placement by

foreign investors. This will yield positive effects to SOEs and the government will have funds to cover the deficit in the state budget. It is believed that capital inflow from overseas will influence the increase of money supply. With this, it is likely that it will accelerate the economic turnaround, increase employment opportunities, and also increase knowledge and information on the newest technologies for SOEs. If the involvement of foreign investors expands, they will have more power to make decisions. This method will give the government less power as the owner, regulator, and decision maker for the company compared to the first four methods.

As stated in Constitution no. 25 (Silalahi, 2007) regarding capital investment, the government will provide opportunities for foreign investors to have shares that are owned by the government (100% owned by the SOE itself). Even though domestic investors in Indonesia have advantages in information (Agarwal et al., 2008), this does not eradicate the possibility of larger ownership by foreign investors in SOEs in the future due to the better track record that foreign investors have (Dvorak, 2005). As a result, foreign investors can dominate share holdings in SOEs, because foreign investors tend to have larger amounts of capital. This can influence the government to use the situation to obtain capital gains by selling shares in SOEs. If this becomes a reality, it is predicted that domestic investors will have a small portion of an SOEs' private shares and in turn become a minority shareholder. The limitations imposed on holding SOEs' shares for domestic investors is also heavily influenced by political reasons, whereby the public is afraid that there will be a return of a "New Order" regime through privatisation of SOE shares.

4.3.3 The Fall of Soeharto's New Order Regime in 1998 and its Impacts on SOEs

The regime struggled to maintain the impressive economic development, and eventually ended in 1998. The president at the time stepped down from his thirty two years rule as a result of being hugely criticised for his handling of the economic crisis which began in 1997 (McLeod, 2005). The end of this regime revealed that Indonesia's seemingly-improving political stability was somewhat fragile. The Reformation era soon emerged which resulted in a change of government every five years in line with a more genuine democracy, thereby impacting upon the structure of SOEs more than ever (Langit, 2002).

Unlike other countries that were seen to have tiger economies in the early 1990s, the Indonesian economic crisis seemed to last longer than anticipated (Kaihatu, 2006). Ranking at 59 out of 60 in the World Competitiveness Report (2005), Indonesia experienced massive banking restructuring and the auctioning of assets which weakened the Indonesian business climate (Bakrie, 2003). Many Indonesian economic experts suggested that this might have been the result of Indonesia's poor organisational culture (Pradiansyah, 1998; Kaihatu, 2006; Pasaribu, 2009). As a result, even with the emerging interest in good-corporate governance, its implementation in Indonesian SOEs (or even private enterprises) has been dissatisfying, ranking quite poorly in transparency and openness and in corporate governance performance (Kaihatu, 2006)).

After the economic crisis and the fall of the regime, the Reformation era concentrated on decentralisation where regionals no longer had to be concerned about regulations imposed by the central government. During this period, many Indonesian SOEs that performed poorly were privatised or merged with more high performance SOEs, leaving an unstable period for many of the SOEs (Taufiqurrahman, 2003; McLeod, 2005).

4.3.3 Indonesian SOEs as Organisations

After the fall of Soeharto, Indonesia entered what they called the Reformation era, where economic and political changes transpired. There are, however, many aspects that have not changed in Indonesian SOEs. Since the start of the SOEs, these enterprises fell under the category of “Public Sector Institutions Franchise” by the ruling president (McLeod, 2005). These franchises were described as great environments in which individuals could become wealthy with adequate performance and also where individuals might be denounced if their performance was insufficient (Liddle, 1985). The government played (and still does) a major role as a sole shareholder in recruiting skilled individuals as well as firing individuals due to poor performance (Langit, 2002). Till date, SOEs recruit and select applicants from all over the country. This process tends to occur when more senior employees are on the cusp of retiring or have just freshly retired from their positions, leaving behind job opportunities for people from both inside and outside the company. The board directors, however, are usually selected by the Ministry of SOE, which was essentially appointed by the government (McLeod, 2005; Langit, 2002).

SOEs in Indonesia are quite similar in nature to SOEs in China. Till date, employment for life is still implemented and employees can keep some of their benefits (such as medical insurance) even after they retire (McLeod, 2005). The board of directors continuously change, depending on the minister in charge. The directors are often replaced or substituted between companies even before their term in the company is completed. In general, similar concerns for SOEs can be applied to Indonesia as well – things such politically-motivated decisions or unsuitable persons holding positions of power are commonplace.

The difference between Indonesian SOEs, Malaysian SOEs and Chinese SOEs lies in their belief systems. Unlike China where socialism is widely favoured, and unlike Malaysia where laissez-faire leadership is common practice, Indonesia is a democratic republic. Total Quality Management (TQM), Good-Corporate Governance (GCG), and financial performance are variables that interest the countries' experts (Kaihatu, 2006; Pasaribu, 2009). Despite the poor performance of some Indonesian SOEs, Pasaribu's (2009) study on twenty-eight manufacturing SOEs shows a significant interest and positive relationship between employee commitment levels and the application of TQM. This suggests that employees in SOEs generally aim for effective management performance. Although Indonesian organisational culture has been a great concern for many experts, the study showed that there was a significant interest to improve the communication between lower level employees and the higher level employees as well as the intention to create a more conducive organisational culture. This is considered to be a significant difference with Malaysia's case as the favoured Bumiputera became

heavily dependent on the government and less interested in thriving (Gomez & Jomo, 2000).

During the political regime period from 1966 to 1998, corruption was widespread to avoid being excommunicated from the SOEs, allowing such “norms” to be deeply rooted in the organisational culture. With the Reformation era, one of the more drastic changes revolved around the appointment of board of directors in the Ministry of SOEs. The widespread practice of selective appointments was replaced with election of the board directors who do not necessarily have to be drawn from the SOEs themselves (Lindsey & Dick, 2002). An anti-corruption initiative called the Anti-Corruption Commission was then established to manage problems of this nature (Sherlock, 2002). The commission constantly monitors the financial flows of SOEs, as well as its employees (McLeod, 2005). The existence of the Anti-Corruption Commission plays a significant role in suppressing politically-motivated incentives, even when in reality, the country’s overwhelming corruption does complicate its mission. (Sherlock, 2002; McLeod, 2005).

4.4 Company’s Background: PT. Perkebunan Nusantara IV

The company chosen for this study is an Indonesian state-owned plantation company. In Indonesia, it is expected from state-owned enterprises that they become the country’s main source of income. Upon establishment, state-owned enterprises were tasked with concentrating on creating job opportunities for the unemployed (Firmanzah, 2010) and, more recently, are also expected to benefit the country (Metro

TV, 2010). Many of the companies based in rural areas, which are as many as plantations are located in the countryside and are expected to encourage small businesses in the area to grow (Haslan, Richards, & Ramos, 2014). Those that work with the company may be transferred to the countryside, attracting a larger population that would lead to a higher demand in goods and services.

The company focuses on the cultivation, processing, and trade of palm oil, tea, and cacao. A hundred percent of its shares are owned by the government. The Ministry of State-Owned Enterprises selects the board of directors; previously, individuals could retain their positions on the board of directors for more than ten years (Aglionby, 2002) due to the more stable political situation during the 80s and 90s. This situation changed in 1999 in line with changes within the Ministry of State-Owned Enterprises (Langit, 2002), influenced by changes in Indonesia's constitution, which stipulated that one could only hold the office of the presidency for a maximum of two terms or ten years or less (Aglionby, 2002).

The plantation industry is a strategic sector that plays a hugely important role in national development. There are three types of plantation companies/enterprises in Indonesia: *Perkebunan Besar Negara* (plantations owned by the government), *Perkebunan Besar Swasta* (plantations owned by the private enterprise) and *Perkebunan Rakyat* (plantations owned personally or by society) (Naibaho, 1998).

According to the Ministry of Agriculture (Deptan, 2011) plantations have an important role in economic development that can be seen in terms of the total gross domestic product (GDP), shown by Table 4.1. The table displays GDP growth from 2005 to 2009. According to the table below, it can be seen that the GDP from plantations has

been increasing steadily, from Rp56.43 trillion in 2005 to Rp130.50 trillion in 2009. The average share of plantations' GDP was 19.83 percent, which was a 2.11 percent increase from the total GDP (BPS, 2011). From this, it was concluded that the plantations' GDP growth rate was 25.52 percent per year. This means that plantations made larger contributions to the GDP than agriculture, which had a growth rate of 23.30 percent per year and contribution of 17.94 percent to the total GDP (BPS, 2011).

This promising prospect of plantations should be sustained so that it may become one of the mainstay subsectors of the economy.

Sectors/Subsector	Total GDP					% per year
	2005	2006	2007	2008	2009	
Plantations	56.43	63.4	81.6	106.19	130.5	23.52
Agriculture	281.96	328.83	408.03	536.87	649.25	23.3
National	2774.28	3,339.22	3949.32	4426.39	3665.28	19.18
Plantations' GDP to Agriculture (%)	20.01	19.28	20	19.78	20.1	
Plantations' contributions to total GDP (%)	2.03	1.9	2.07	2.141	2.45	

Table 4. 1 Plantation's GDP growth rate in 2005-2009 (BPS, 2011)

Palm oil has many benefits to the industry. Both crude palm oil and core palm oil can be used to process various products, whether edible or inedible. There are several chemicals that are included in the palm oil industry groups such as olein, stearin, basic oleo chemicals (fatty acid, fatty alcohol, fatty amines, methyl ester, and glycerol). Most palm oil products have sales potential in both the domestic and export markets. Palm oil industry goods are usually used for raw materials by the downstream

industries. There are perishable goods that are produced using palm oil as raw material; for example, cooking oil, salad oil, shortening, margarine, cocoa butter substitute, vanaspati, vegetable ghee, food emulsifier, fat powder, and ice cream (Depperin, 2009). Palm oil is also used as raw material for non-edible products such as surfactant, biodiesel, and other oleo chemicals.

Based on the calculations on Indonesia's Food Balance Sheet (Ditjebum, 2011), most of the palm oil production is used to produce crude palm oil that is separated into two; one is for edible goods while the other is used for non-edible goods. Based on Table 4.2 below, it can be seen that palm oil is mostly used to produce cooking oil, which is produced at a rate of 2,371,375 tonnes per year and makes up 97.39 percent of the shares from the total production of palm oil. On the other hand, in terms of non-edible goods, palm oil is used for its raw material on an average of 25,000 tonnes per year or 1.05 percent of the shares from the total production of palm oil and 1.55 percent or approximately 38.875 tonnes of palm oil is spilled during the production process.

Crude palm oil is one of the superior products being exported overseas. Generally, Indonesia's palm oil exports increases every year at a growth rate of 11.63 percent a year. Most exports are sent to India, China and the European Union.

Year	Non-food products	Spilled	Eatable Products	Total
2000	30000	35000	2209000	2274000
2001	36000	42000	2635000	2713000
2002	32000	37000	2309000	2378000
2003	36000	41000	2597000	2675000
2004	27000	31000	1969000	2027000

2005	13000	45000	2819000	2877000
2006	13000	49000	3081000	3143000
2007	13000	49000	3081000	3143000
Average	25000	36875	2317375	239375
Share %	1.05	1.55	97.39	

Table 4. 2 Palm Oil Consumption 2000-2007 (Ditjebun, 2011)

Year	Volume	Value
2007	11875.4	7868.7
2008	14290.7	12375.3
2009	16829	10367.7
2010	16291.9	13.469
% per year	11.63	

Table 4. 3 Indonesia's CPO Exports in 2007 – 2010 (BPS, 2010)

PTPN IV (*PT. Perkebunan Nusantara IV*) is the state-owned company chosen for this study. It is involved in the cultivation, processing and the sale of palm oil products, tea, cocoa. Its plantations are predominantly located in North Sumatera (PTPN IV Annual Review, 2013). PTPN IV has plantation units spread in various places in North Sumatera, with each plantation sowing crops suitable for the region or area to achieve maximum results during the harvest.

In 2008, PTPN IV had undergone a restructure of its organisation through a merger of the technical division with the processing division in selected units, resulting in a decrease in productivity (PTPN IV Annual Review, 2013). Three state-owned companies, PT Perkebunan VI (Persero), PT Perkebunan VII (Persero) and PT Perkebunan VIII (Persero) merged into what is now called PT. Perkebunan VI or PTPN IV (PTPN IV Annual Review, 2013). The merger was based on the Regulation of the

Government of the Republic of Indonesia No. 9 year 1996. Based on this regulation the three state-owned companies that merged were liquidated and all their rights and obligations were transferred to the company.

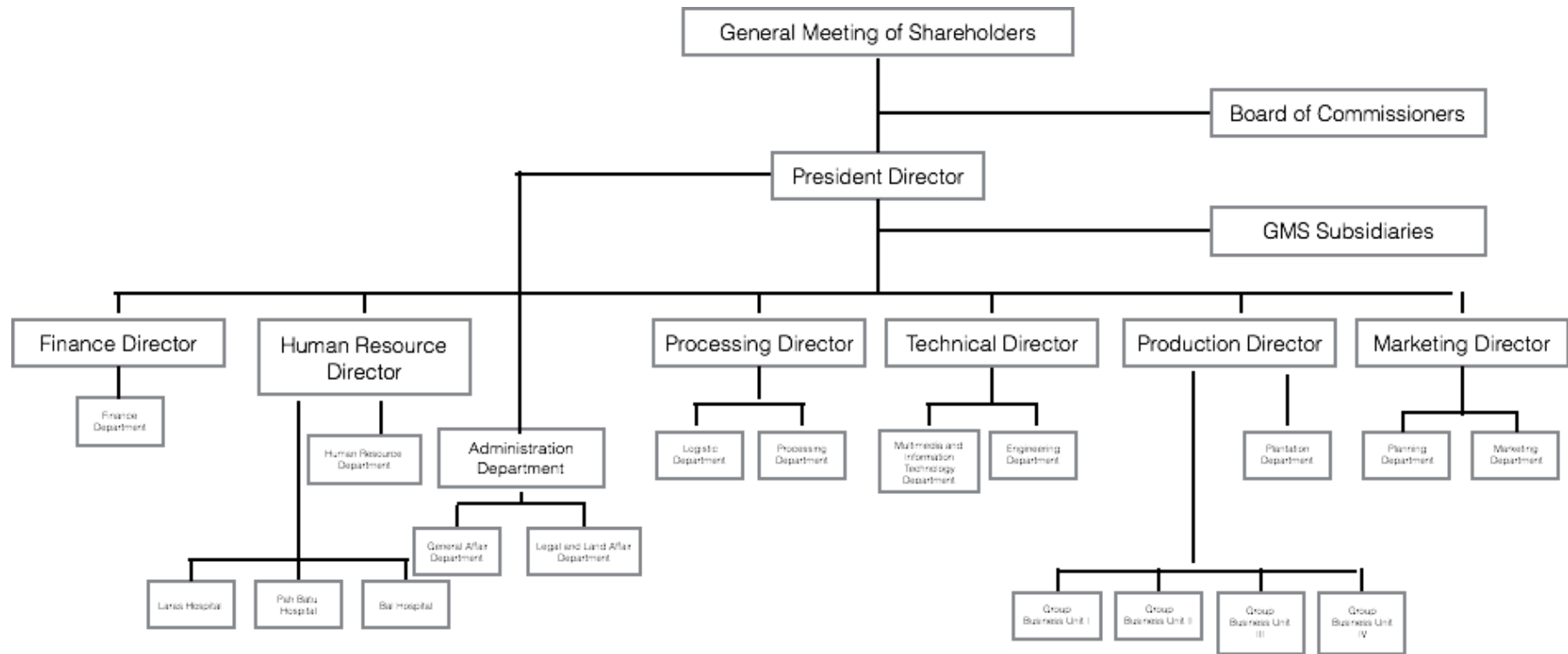


Table 4. 4 PTPN IV Organisational Structure prior to 2008

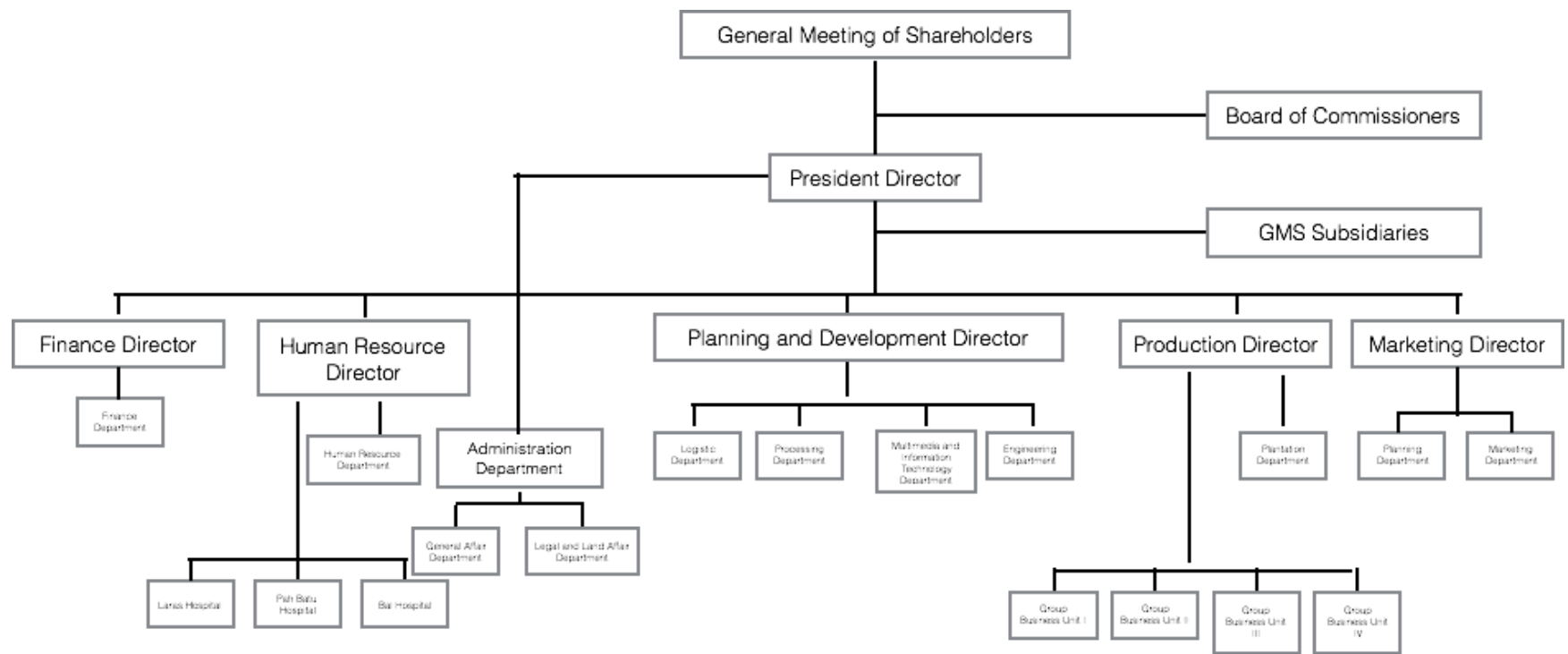


Table 4. 5 PTPN IV Organisational Structure as of 2009

This company has several departments in their plantation unit, such as human resources, processing, technical, administration, production, and marketing. In 2008, top management made the decision to change the organisation through a gradual merger in every plantation unit. The first merger was between the technical division and processing division, which was gradually implemented in plantation units. In 2009, the restructuring was completed across the entire PTPN IV's plantation units.

In 2011, the company's board of directors were reshuffled, not long after the re-election of then Indonesian President, Susilo Bambang Yudhoyono. The organisational structure changed again where they then had only four directors under the president director and moved several departments into under different directors.

Table 4.6 is the latest organisational chart of the company when the study was being carried out. This organisational structure started right after the reshuffling in 2011. It can be concluded from the latest structure that the workflow of the company is a lot different from that of the year 2008 and 2009. This study aimed to capture and identify the organisational changes since the 2011's reshuffling and restructuring. Observation was carried out during a meeting with a production director and interviews were conducted with employees that directly experienced these changes. Results from the observation and interviews showed that leadership styles and organisational culture change along with the reshuffling and restructuring. Details on the results will be discussed in more detail in chapter 6.

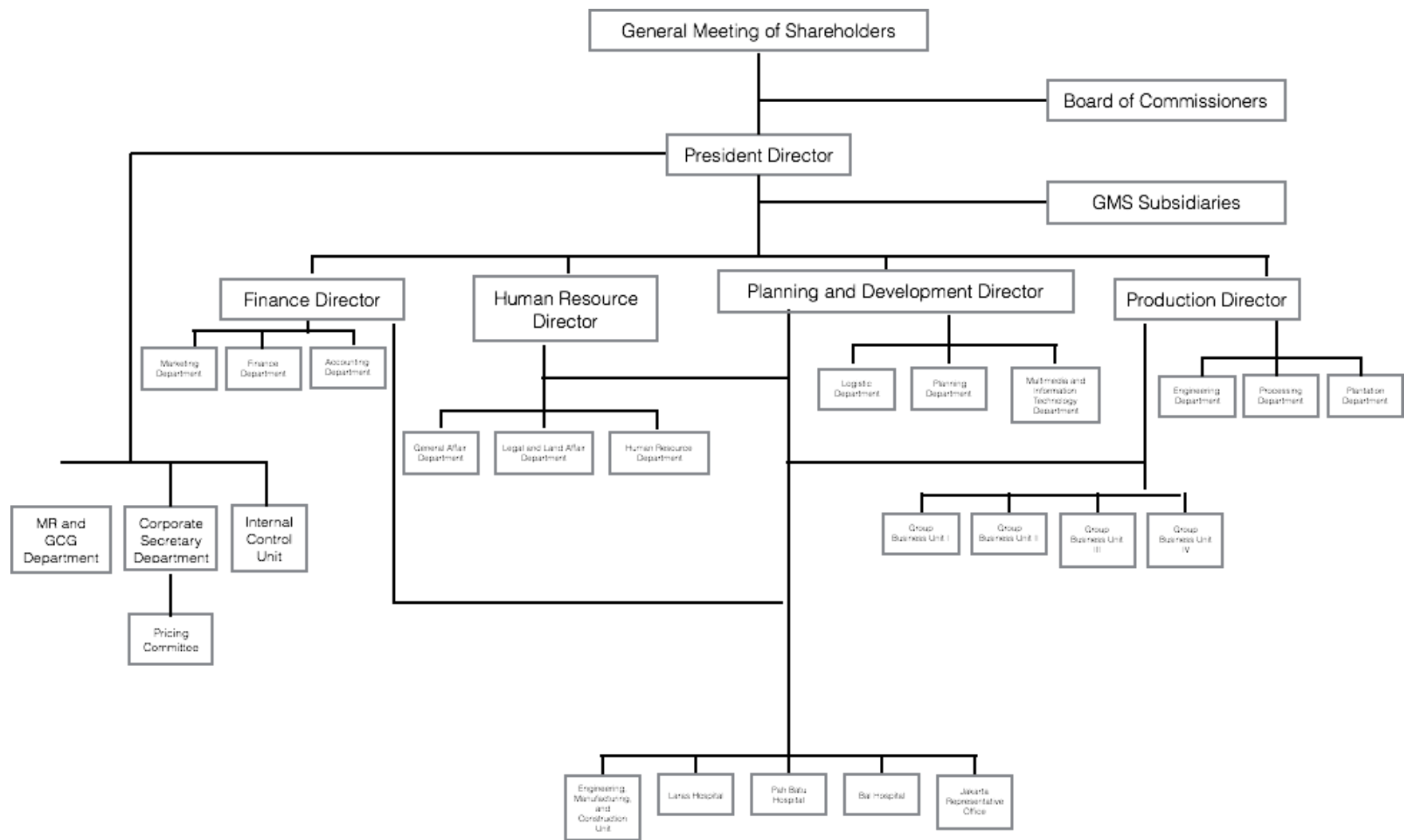


Table 4. 6 PTPN IV Organisational Structure after 2011 Management Change

Chapter 5: Methodologies

5.1 Rationale for the Design of the Study

In studying organisational change, time is crucial. It is necessary to collect data at the right time. The study was carried out in four different phases, consisting of preliminary stage, stage 1, stage 2, and stage 3. In preliminary stage, an observation was carried out to understand the context of the organisational change. Stage 1, 2 and 3 were split into three different time periods of the years – January 2013, July 2013, and January 2014.

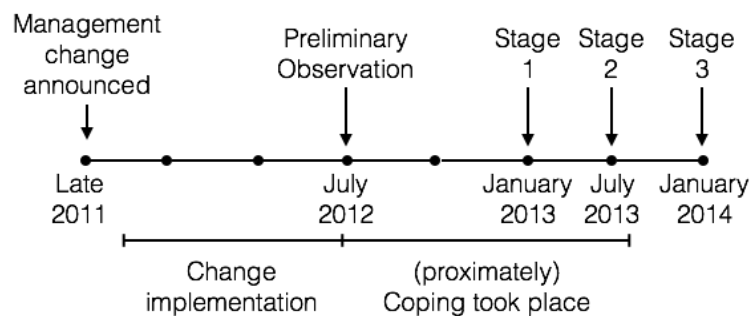


Table 5. 1 Study Timeline

From Table 5.1, excluding the preliminary observation, the main data collection was carried out in a span of one year. The reason behind this was to allow potential participants to go through the early stage of the organisational change event and give them time to experience their personal coping processes. Preliminary observation was carried out to understand the context of the organisational change. The process of organisational change is varied among organisations, and no two organisational change experiences are the same (Dawson, 2003; Pettigrew, 1985). The

observation phase would provide the researcher a deeper understanding of the nature and process of change that took place in the organisation.

For the preliminary data collection, a request to attend a department meeting was made to the Director of Production. Permission was given to observe the second department meeting at one of the company's plantation offices in August 2012. The observation process concentrated on the interaction between the new production director and his subordinates, noticeable differences between the two parties, and general behaviour patterns that emerged during the meeting. The content of any discussion would only be noted down if it was relevant to behaviour exhibited during the meeting. Observation sheets (field note) were used to capture descriptive and reflective note. The sheets contained two different table that recorded different type of behaviours emerged during the meeting.

For interaction between the new production director and his subordinates, signs of both positive and negative reactions were noted down. Important events in which these emotions happened were also added into the note. Other than the mentioned three variables, the context of the meeting itself or conversation during the meeting would not be noted down. General behaviour patterns that emerged during the meeting was also captured using this table. Below is an example of the table used to capture the interaction.

No	Context	Positive Reactions	Negative Reactions
1	<p><i>Event in which the reactions were observed</i></p> <p><i>E.g. Director Production asked Manager Y why it took him so long to solve pest/vermin problem</i></p>	<p><i>When there's no positive reactions, N/A would be written here (similarly on negative reactions side).</i></p> <p><i>E.g. N/A</i></p>	<p><i>E.g. Manager Y showed sign of anger.</i></p>
			<p><i>E.g. Manager Y used external reason as an excuse</i></p>
2	<p><i>E.g. Assistant R was asked to give example on how to eliminate pest/vermin</i></p>	<p><i>E.g. Assistant R enthusiastically explained his step-by-step method</i></p>	<p><i>E.g. Managers who were present did not seem pleased for some reason.</i></p>

Noticeable differences were noted down in a different table template. This part of the observation concentrated on possible working style differences between the new production director and the current members of production departments (who were present at the meeting). General behaviour patterns that portrayed differences between the two parties would be written in this table instead.

Below is an example of the table used to capture these differences.

No	New Production Director	Current Members of Production Department
1	<i>E.g. Encourages managers to speak up and contribute to decision making process</i>	<i>E.g. Followers of autocratic leader - tend to ward for directions</i>
2	<i>E.g. Generally interactive during discussion and paid attention to all topics discussed</i>	<i>E.g. Generally only interested in topics that personally related to them.</i>
3	<i>E.g. Optimistic approach to problems</i>	<i>E.g. Pessimistic approach to problems</i>

Thematic analysis was conducted to analyse the field note. Descriptive note (mostly found in the reactions table) and reflective note (mostly found in differences table, but also included few parts of the reactions table) were separated. Identified patterns from the two types of notes were outline and an observation case study were concluded from it. Observation sheets from this stage can be found in Appendix 9.

In order to capture the influence of personality traits and emotional intelligence, the two variables were tested at stage 1 – approximately 6 months after change was implemented and when coping processes started to take place. Approximately 6 months after the first data collection, stage 2 of the data collection which comprised of semi-structured interviews was carried out. At this point in time, the participants would have already engaged in coping behaviours – making this the right time to collect information on strategies that they had taken to adjust to the organisational change. The primary aim of this stage was to identify coping behaviours specific to the context of the sample and develop a coping scale appropriate for use among employees of state owned enterprises.

Finally, the third stage of data collection was carried out about a year after the first wave of data was collected. During this stage, participants' coping behaviours were measured using the bespoke coping scale that was developed in stage 2. At this point, approximately two years had elapsed since the change event occurred. This was perceived as the right time to measure their coping behaviours, as participants would have gone through most of their coping processes and were presumed to have understood and have evaluated their coping strategies. In line with the coping cycle, a timeline of two years was deemed sufficient for participants to experience and adjust to the changes that the organisation faced. This was also approximately halfway between the next expected change in the organisation.

5.2 Participants

5.2.1 Sampling Strategy

5.2.1.1 Pilot

A total of 90 volunteers from various backgrounds took the translated versions of the IPIP and the WLEIS, while the pilot interviews were conducted among two Indonesian respondents. The scale was distributed both online and through paper-based forms within a period of one month. Participants in the pilot were not recruited for the actual research data collection. The results from the piloting process were used to test the validity of the translated version of the IPIP, the WLEIS, and interview questions. As for the COCS, 112 participants participated in the pilot, consisting mostly of university students and working fresh graduates. Among the participants were 57 Malaysians, 10 Indonesians, 11 participants from other countries, and 34 participants did not specify their nationalities. Additionally, there were 21 male participants and 57 female participants, while the rest did not specify their gender.

5.2.1.2 Main Study

Access to the organisation was gained through the approval of the HR Director. Current HR director was part of a previous study conducted in this organisation on Psychological Contract in Indonesian State-Owned Enterprise (Haslan, Richards, and Ramos, 2014). During the previous research, he held a position as the company's Corporate Secretary Manager and was among those who participated in the

study. At the time of the current study, he had been promoted to the role of HR Director. The purpose of the study was elaborated in an informal meeting with the HR Director. The respond was positive. Once an approval was given, the company's current Corporate Secretary Manager took over the process and gave access to necessary data.

During preliminary observation, among participants who were present, 32 employees were males, while only 1 employee was female. Position or rank-wise, there were production director, 2 departmental heads, 1 unit-group general manager, 4 unit-group managers, and 24 plantation managers/assistant managers. The observation was carried out during an early meeting in the company with the permission of the production director. For stage 1 and 3, invitation letters were sent to 300 employees across different position levels to ensure diversity in the pool of participants. From the 300 potential participants, it was expected that one third of them would complete Stage 1 and Stage 3. The number was seen as appropriate, considering the time constraints and the type of methodologies that were selected for this research. Out of the 300 potential participants, 220 employees participated in stage 1 and 229 employees participated in stage 3. Participants list in stage 1 was then cross checked with those who participated in stage 3 to short list only those that participated in both stages. With this rationale, final sample size of participants was reduced to only 153 – which was seen as appropriate and was as predicted. For stage 2, around 25 employees who participated in the research's stage 1 were selected. Invitations were sent to these employees and 16 out of 25 respondents volunteered for the interview. They were 13 male participants and 3 female participants.

5.3 Measurements

5.3.1 International Personality Item Pool

To measure the first independent variable, personality traits, The International Personality Item Pool was selected. The International Personality Item Pool was created to aid future research in studying the field of personality traits. Goldberg (1999) argued that there was a need to create a medium that could be used by anyone. Goldberg (1999) further asserted that the slow development in the field of personality research at that time was caused by the lack of accessible personality traits inventories. Thus emerged the IPIP (Goldberg et al, 2006) This section aimed to explore IPIP as a scale.

5.3.1.1 The Background

Personality traits inventories, or scales, are mainly provided by commercial publishers. They hardly allow researchers to use a portion of their inventories, let alone change the order or combine them with inventories from other measures. For many researchers, these actions are deemed necessary to fit into the context of their studies (Goldberg et al., 2006). Commercial publishers, however, see these actions as potential threats to the reliability of their scales. Licences of commercially published inventories are often granted for special use. However, researchers have to pay for those special licences, even when they only require a part. Whilst the cost may be insignificant for some, to purchase these commercial inventories in large quantities may be expensive for others (Ashton, 2005; Lim & Ployhart, 2006, Goldberg et al., 2006).

Lim and Ployyart (2006) have discussed this problem in their study. Many instruments – such as the NEO Personality Inventory (McCrae & Costa, 1985), the California Psychological Inventory (Gough, 1987), or the Hogan Personality Inventory (Hogan et al, 1992), were developed to facilitate the big five personality traits theory. The available instruments, however, often become problematic for researchers who are constrained by budget. Despite the well-developed instruments created for the big five personality traits, the proprietary nature of these instruments greatly challenges many researchers in proceeding with their studies.

In situations where researchers have the proper licensing to use these instruments, copyright issues may pose a problem. Most publishers prohibit researchers from publishing their instruments on the Internet. Nowadays, many researchers have switched from manually distributing their instrument booklets to web-based platforms. Web-based platforms allow researchers to reach a wider range of participants, and efficiently gather numerous responses (Gosling, Vazire, Srivastava, & John, 2004). This, however, eliminates the need to purchase multiple inventory booklets or licences for an electronic administration which is an unsatisfactory outcome in the interest of many commercial inventories (Goldberg et al., 2006). Before the era of the internet, illegal photocopying was the main reason for loss of revenue for these commercial publishers. Nowadays when the Internet allows data to be downloaded by anyone on a global scale, commercial publishers have taken a necessary step to prevent more losses by discouraging researchers from posting their copyrighted instruments on the Internet.

Aside from licensing and copyright issues, researchers are sometimes unable to obtain the needed scoring keys for the scales that they use. Most scales or measurements have scoring keys in their manual, some are only available on request, though there are circumstances where scoring keys are unavailable. Researchers will usually have to procure separate licenses for the scoring key. The IPIP also allows researchers to select and combine items that they deem suitable. These items can be retrieved from the IPIP official website at <http://ipip.ori.org/> and is accessible to anyone around the world. Finholt and Olson (1997) described the IPIP as a tool that allows researchers to work with each other without constraints in terms of costs, geography and others.

With over 2000 items related to personality, the IPIP also provides better flexibility. The short phrases used for IPIP items do not require any major interpretations and are easily translatable to other languages. Several official translations are also readily available from the scale's creators. Being open access, permission is easily obtainable and is automatic, provided that the scale is cited properly (Gostling et al., 2004; Goldberg, 2006). Moreover, with IPIP, it is relatively easy to distinguish which criteria the items are in, and the items are seen as more transparent than commercial inventories (Johnson & Ostendorf, 1993). Lastly, the scoring keys for IPIP items are easily obtainable, thus allowing studies to conduct item-level analyses. Researchers can experiment with the items that they use, adding and removing elements as necessary during the analysis (Goldberg et al., 2006).

IPIP items are drafted by following the recommended format of personality traits where the Groningen research team (Hendriks, 1997) suggested that using only

one-trait adjectives are problematic and too abstract. It is also difficult to translate single-trait adjectives into a different language, regardless of how linguistically close the language is to English (Goldberg et al., 2006). Due to this reason, the IPIP's items consist of short phrases that significantly emphasise the contexts that are being evaluated.

Items in the IPIP are categorised according to context and the highest possible correlations to that context (Lim & Ployhart, 2006). Each item is either positively or negatively correlated to its given context. Researchers may select items they believe fit their study and score them according to the scoring key provided – positively-correlated or negatively-correlated. Then, the total score of the items that fall into the same criterion based on the inventories will become the score for that particular criterion. The content of IPIP items should be tested to check if there is an item that has an insufficient correlation. Items that fall into this category shall be omitted on the final scale that the researchers will use for their study.

The original pool consisted of 1252 items, and has now grown to 2413 items (Socha, Cooper, & McCord, 2010). These items are formatted into self-report styles that fit their specific contexts. The fifty items sample questions available on the website is one of the most popular proxies used by many researchers. This proxy scale is often seen as the one that satisfies the big five personality traits of Costa and McCrae (1992). The Big Five consists of Extraversion, Agreeableness, Conscientiousness, Neuroticism, and Openness to experience. These fifty items generally obtain high scores on their reliability level (Baird et al, 2006).

Buchanan, Johnson, and Goldberg (2005) have also mentioned that the availability of items on a worldwide web page have made the procedures significantly

easier. Respondents can now complete their questionnaires or surveys at convenient times or places. Using the internet as a medium of data collection would also benefit the quality of the responses. Buchanan, Johnson, and Goldberg's (2005) statement supports Reips' (2000) claim, which states that it is more valid for an individual to complete their questionnaires in their own chosen places and times.

In short, the International Personality Items Pool has provided a significantly important resource for many researchers, especially to those that study personality traits, particularly, the five-factor model.

5.3.1.2 Flaws of IPIP

The IPIP does not come without flaws and criticisms (Johnson, 2014). It is a developing instrument, with several issues that request the awareness of many researchers. As it is unrestricted and freely accessible, the possibility of it being used by untrained individuals raises some concern. Despite the IPIP's simplicity, it is difficult to eliminate the chances of it being used without professional consultation, allowing the items to be misused. Additionally, it is a complicated endeavour to trace all the IPIP users.

The flexibility to mix and match items with the IPIP comes at a price. Different studies will have a different set of IPIP items and these various versions complicate the ability to obtain a standardised measurement (Goldberg, et al. 2006). Results from one study cannot be evaluated according the same standards as result from another study. IPIP scales, in a way, become incommensurable (Goldberg, et al. 2006) as proxy scales

created by researchers that have used it may not measure the same construct as the original or parent scales will (Socha, Cooper, & McCord, 2010). The usage of the World Wide Web for investigative purposes does not eliminate possible untruthful or mischievous answers from respondents (Reips, 2000; Schmidt, 1997). As it allows researchers to reach a large audience of participants, it also will increase the likelihood of researchers to encounter playful responses (Buchanan, Johnson, & Goldberg, 2005).

Just like any other instrument available, the reliability and validity of using IPIP in different cultural contexts has been questioned. Interpretations of the items might differ across countries, or even across races and ethnicities within the country itself. A study by Ehrahart et al. (2008) shows a weak fit in the IPIP result from Asian-American and Latino samples. This has alarmed researchers and raised the importance of selecting the correct items for the appropriate participants and sending the survey links to the right potential participants. It is suggested by Ehrahart et al. (2008) that researchers should inspect the most suitable model of the instruments, taking into consideration the different ethnic backgrounds of participants. Recent studies however have found support for the reliability and validity of the IPIP in various cultures such as New Zealand (Guenole & Chernyshenko, 2005), Croatia (Mlačić, & Goldberg 2007), China (Zheng, Goldberg, Zheng, Zhao, Tang & Liu, 2008), Argentina (Cupani, 2009; Cupani & Lorenzo-Seva, 2015;) and Greece (Ypofanti, Zisi, Zourbanos, Mouchtouri, Tzanne, Theodorakis & Lyrakos, 2015)

5.3.1.3 The Validity of IPIP

In his study, Buchanan (2002) concluded that using internet-mediated tests or instruments would give researchers reliable and valid results just like offline or paper based instruments. The concern, however, relies on whether researchers can treat online-based surveys as the equivalent of an offline version of the exact same surveys (Buchanan & Smith, 1999; Reips, 2000; Buchanan, 2002; Buchanan, Johnson, & Goldberg, 2005). Online-based surveys are mainly used with a higher degree of self-selection data collection – in which individuals decide whether or not they want to make contributions to the study which could create a bias that will affect the validity and reliability of the results; as the results gained from self-selecting samples could differ from the results gained from strictly volunteers only (Oakes, 1972; Rosentha & Rosnow, 1975). Buchanan, Johnson, and Goldberg (2005) suggested that, to overcome this flaw, heavy advertising campaigns are needed to gather a large number of participants, where some will still be self-selected, though not to the extent that it will impact the validity of the results.

Ehrahart et al.'s (2008) study shows that results from the IPIP are seen as an acceptable fit for both female and male samples. Though male participants place greater value in six of these items, and female participants invest more in another six, the scale remains relatively small in comparison to the fifty items that needed the samples' responses. Costa et al., (2001) also mentions that although gender differences are perceived to be extensive, they appear to be subtler than individual differences.

Lim and Ployhart (2006) compared the items in the IPIP with those in NEO scales to analyse the validity and feasibility of the IPIP as a substitute instrument of the

big five personality traits. The study attempted to compare the models by fitting each personality factor (Openness, Extraversion, Neuroticism, Agreeableness, and Conscientiousness) at an item level and at a parcel level. Each of the factors themselves was divided into different sets of samples: (a) overall sample, (b) male sample, (c) female sample, (d) white sample, and (e) non-white sample. Lim and Playhort (2006) found significant preliminary evidence that the IPIP has identical fit indices with the NEO-FFI. The study also found that there were only minor differences of significant validity across gender and racial backgrounds.

Despite the self-selection biases that might occur, Buchanan, Johnson, and Goldberg (2005) concluded that using online-based surveys was feasible, with acceptable reliability and validity. Many have voiced some concerns regarding the possible homogenous nature of the samples gathered from online-based surveys (Rosentha & Rosnow, 1975), but the wide range of potential participants that these surveys are likely to reach enables the possibility for more heterogeneous samples. Although the online and offline versions can never be entirely equivalent, the usage of the IPIP in its online state is a feasible method.

A comparative study by Lim and Ployhard (2006) showed that the IPIP could be classified as a suitable alternative to its proprietary counterparts (Lim & Ployhart, 2006). Whilst this does not discount the relevance and possible superiority of many available commercial instruments like the NEO-PI-R, the IPIP will continue to serve as the best alternative for researchers with budget constraints, or even students who lack the monetary capability to obtain commercial instruments.

5.3.2 Wong and Law Emotional Intelligence Scale

5.3.2.1 WLEIS – The Concept

As mentioned in the literature review, Mayer et al. (2000) suggested that EI holds the three basic characteristics needed to be called intelligence. In the four-dimensional definition of EI, only EI-related scales were used in developing the theory (Davies et al., 1998) which has built the need to create a scale that fits into the four-dimensional definition. Without the proper scale, measuring EI will be deemed to yield unreliable results.

The Wong and Law Emotional Intelligence Scale (WLEIS) was developed by Wong and Law (2002) following Mayer and Salovey's (1997) four-dimensional definition. Exploratory and confirmatory factor analyses were used to develop and validate the scale. Wong and Law (2002) stated that the WLEIS managed to measure a distinct concept from the big five personality traits.

Researchers have found that EI measures emotion-related abilities that are distinct from other existing personality traits (Law, Wong, and Song, 2004). Due to this discovery, the four-dimensional definition of EI is seen as the most sensible direction of future researches in this area. WLEIS has the needed 'forced choice' EI questions, which falls into the non-self-report type. In forced choice questions, participants are asked to choose the most appropriate answers in which the responses will represent their EI level. This study will use these forced choice questions.

The WLEIS forced choice is comprised of two parts, part A and part B, with twenty questions each. Part A was used to measure participants' relative strength of

ability, while part B concentrated on reactions to various situations (Wong et al, 2007). The items were constructed as forced choices to allow participant's general emotional intelligence level to be captured. The scale was also created to capture the four dimensions of emotional intelligence. For example, in part A, answers that are scored with 1 point when selected would measure one's other emotional appraisal. So the lesser one scored in part A, the closer one is to self-emotional appraisal dimension. For part B, the higher a participant's score, the closer they are to EI's use of emotion dimension and the further they will be from the regulation of emotion dimension. The WLEIS' short and easy to administer format along with its strong theoretical grounding makes it a very popular research tool for many EI researchers with over 1300 citations since its original publication until May 2015 (LaPalme, Wang, Joseph, Saklofske & Yang, 2016).

In general, the concept of EI is seen as universal. However, there are instances when participants from different cultures may provide different results. The WLEIS was developed by using Chinese workers in its sample. The cultural context of the Chinese study may suit the scale of the present study, as the Indonesian culture is closer to Chinese culture than to Western culture. As mentioned by Law, Wong, and Song (2004), Chinese employees who choose to remain silent when their boss makes unreasonable demands will show high emotional intelligence, but this will not be the case for non-Chinese employees. Thus, in this specific research context, the WLEIS will be able to capture more reliable data from its participants.

5.3.2.2 WLEIS' Validity

Like many other EI scales, the WEIS is a self-report measurement. However, it can be used as a peer-reporting measurement, where others will evaluate someone's EI (Libbercht et al., 2010; Law et al., 2004; Song et al., 2010). The scale was validated using Chinese samples by Wong & Law (2002) and it was perceived to be reliable with $\alpha = .78$. It was also found that the scale was able to predict job performance and satisfaction (Law, Wong, & Song, 2004). Though many studies have noticed that most EI measures tend not to be distinct from personality scales (McCrae, 2000; Van Rooy & Viswesvaran, 2004), the WLEIS has been proven to be conceptually different (Law et al., 2004). Wong and Law (2005) have also suggested that the WLEIS can be classified as the most appropriate in organisational contexts as it was developed specifically for the setting.

Although originally developed with a Chinese sample, the WEIS has found relative success and stability across various cultural groups (i.e. Li, Saklofske, Bowden, Yan, & Fung, 2012; Whitman, Van Rooy, Viswesvaran, & Kraus, 2009), ethnic backgrounds, and gender (Whitman et al, 2009). Moreover, studies have also shown that the WEIS was able to predict job performance and satisfaction (Sy, Tram, & O'Hara, 2006), effective team work (Der Foo et al, 2004), as well as effective leadership (Sy, Tram, and O'Hara, 2006).

Researchers have proposed that there is a significant difference in EI between men and women (Jakupcak et al., 2003; Gutek and Cohen, 1987; Hyde & Plant, 1995). Although they found no significant gender differences in WLEIS scores, Whitman et al. (2009) found that gender differences do exist in terms of the dimension 'use of emotion to facilitate performance.'

Studies have also shown that ethnic backgrounds also play a role in determining one's EI. In their study comparing various ethnic groups in the US, Roberts et al. (2001) found that White people score lower than Hispanics or Black people. Similarly, Whites scored better than Blacks except for the *use of emotion to facilitate work* dimension, while Hispanics overall had higher scores in EI than Blacks (Roberts, et al., 2001). One possible explanation for such discrepancy in scores is that Hispanics and Black people have a tendency to be raised within more collectivist environments where emotional regulations are common. Ng et al. (2009) found similar results when they examined differences in EI scores between international students across several ethnic groups (India, China, Korea). They found that Korean students scored the lowest in all four EI dimensions compare to Indian and Chinese students.

In conclusion, the WEIS is perceived to have demonstrated an adequate fit that supports Mayer and Salovey's (1997) EI theory. Whitmen et al. (2009) further stressed that the self-report format of the WLEIS is sufficient and is relatively stable and bias free.

5.3.3 Semi-structured Interviews

Not many studies combine quantitative and qualitative in one research (Spicer, 2012). However, there are cases when it is necessary to combine both methods. Quantitative and qualitative approaches are distinct, but instead of being unhelpful, the mixture of these different elements will help tackle complex and exploratory studies (Moses & Knutsen, 2007). When researchers combine these two methods, one is

usually used to “check” on the other and will allow researchers to pose a wider range of relevant questions (Spicer, 2012; Harding, 2013).

The study of coping with organisational change has slowly started to concentrate on the individual level rather than merely relying on the organisational perspective. With most previous studies concentrated on an organisations’ toolkit for dealing with organisational change, a specific scale is needed to measure an individual’s perspective of the concept. To be able to analyse such a complex theory, qualitative research method is seen as an important additional element to this study.

Among many qualitative methods, interviewing is seen as the “gold standard” of qualitative research (Barbour, 2008). It offers maximum flexibility, allowing researchers to study a participant’s experiences without the constraint of time (Robson, 2011). By conducting interviews, researchers will able to determine how their participants make their decisions (Hennink et al., 2011). Researchers will also be able to analyse a participant’s beliefs and perceptions. Interviews have also been used to tackle sensitive issues that require an in-depth look, as interviews are response-intensive – which quantitative methods are often unable to obtain (Harding, 2013).

In this study, a semi-structured interview was conducted during stage 2.

Below are the interview questions and the rationale behind those questions:

INTERVIEW QUESTIONS

Q1: How long have you been working in this company?

This question is to see if the amount of time they have spent in the company would have any effect on their coping ability. This may not be exclusively relevant to the research, but it is a good way to build trust and may prove useful during the data analysis process.

Q2: What are your thoughts on the recent organisational change?

To understand the participant's personal feelings regarding the changes that occur in the company. This will give the research an insight on people's perception of whether this change is a positive occurrence or seen as a threat.

Q3: What are the changes that you noticed have happened since the change?

The tone that is used in answering this question will hint at whether the participant is fond of these changes or whether he or she is against them.

Q4: Can you work with those changes?

A very important question. The answer to this question will be matched with the personality tests that the participants have taken to produce an analysis on how they cope with the organisational change. The interviewer is to ask more unstructured questions based on their answer. For instance, if the participant shows that he has a hard time coping with these changes, the interviewer has to ask whether it is mentally difficult or physically difficult.

Q5: Do you think these changes are for the good of the company or are they actually pulling the company's performance down?

Similar to question 2. This question is actually overlapping question 2, but it is necessary to ask.

Q6: Do you know the objectives/reasons for these changes?

A follow-up question to Q5, to see if participants have any knowledge on why the change occurs. The interviewer has to ask whether they know (if they know) the objectives from the new top management themselves, or they just figured it out on their own.

Q7: Personally, do you wish there was more support or training to help you with these changes?

The answer of this question will be cross-checked with their test results. This question is to see if those that scored higher in their EI and personality tests think that they do not need extra support to help them cope with the changes, or otherwise.

Q8: On a scale of 0 to 5, with 0 as the worst and 5 as the best, how well do you think you've been coping with these changes?

This question will be used as the performance measurement that is based on the individual's perception on their ability to cope.

There are several possible areas that will be captured by interviews according to Hennink et al. (2011). By conducting interviews, researchers will be able to determine how their participants make their decisions. Researchers will also be able to analyse a

participant's beliefs and perceptions. Interviews have also been used to tackle sensitive issues that require an in-depth look, as interviews are response-intensive – which quantitative methods are often unable to obtain (Harding, 2013).

Contrary to popular belief, not all interviews are considered as qualitative methods. A structured interview is considered to be part of a quantitative research method as it uses standardised questions that will be asked to participants (Harding, 2013). Semi-structured interviews alongside unstructured interviews may appear similar to structured interviews. However, the nature in which these interviews allow their participants to “ramble” distinguishes it from the former type of interviews (Bryman, 2008). To be qualified as a qualitative method, researchers must allow an uninterrupted flow of responses and must give room for unplanned questions.

In semi-structured interviews, there is a set structure and guidance that an interviewer needs to follow. However, it distinguishes itself by allowing unplanned questions and participants to ‘ramble’ (Bryman, 2008; Robson, 2011; Harding, 2013). It is, however, important to tackle the specific issues that the research has initially set before conducting the interviews. In the event that respondents only touch on the intended issue, interviewers must be able to devise follow-up questions.

5.3.4 Coping with Organisational Change Scale

A scale for coping with organisational change was used to identify coping behaviour that occurred during this study. The scale was created from themes identified during the interviews conducted in stage 2. It consists of 17 items that

measure 5 coping behaviours in organisational change. The identified 5 coping behaviours are: resistance, problem solving, self-blame, avoidance, and information seeking. Details of the creation of the scale will be discussed in detail in chapter 7.

5.3.5 Translation

The IPIP, the WLEIS, the COCS, and interview questions were translated into Indonesian. These translated versions then underwent a screening process by two bilingual employees from the organisation that this research had targeted. They opined that the translated versions could be correctly understood and they also advised the researcher on how to appropriately word the sentences for native speakers. All scales used in the pilot were the translated version.

5.4 Pilot Study

The total size of the IPIP pilot sample was 90 out of which 72 people were males, 14 were females, while 4 people did not specify their gender. The reliability testing on the scale showed good reliability statistics, Cronbach's Alpha of 0.84. The reliability testing of the pilot showed a reliability of Cronbach's Alpha of 0.62.

To test the validity and reliability of the COCS, the scale was pilot tested on a sample of 112 participants, consisting mostly of university students and working fresh graduates. The scale was in English. Among the participants were 57 Malaysians, 10 Indonesians, and 11 participants from other countries. 34 participants did not specify

their nationalities. Additionally, there were 21 male participants and 57 female participants, while the rest did not specify their gender. The initial scale also had a Cronbach's alpha of 0.96 indicating good reliability. After factor analysis, the scale was restructured and it was distributed for the second pilot. The second pilot was distributed among employees of similar organisations, and again 112 people participated. The translation received a Cronbach's alpha of 0.78 for its validity score. Details of the scale restructuring can be found in chapter 8.

During the interview pilot stage, the interviewer tried to test if the 7 questions were sufficient enough to get all the necessary answers. The pilot interviews were conducted among two Indonesian respondents. The first respondent was interviewed in English while the second respondent was interviewed in Indonesian language. All transcriptions were standardised in English before analysis. The results showed that using a strictly structured interview wouldn't be sufficient to get an in-depth answer. Both pilot respondents answered all 7 questions in 5 minutes and did not elaborate their answer. This supported the proposed method of semi-structured interview where respondents would be given more room to express themselves and for the interviewer to be able to use follow up questions that weren't previously set. In terms of language used, both respondents showed similar understanding of the questions. This eliminated the need of using English during the real interviews and proved that the usage of Indonesian language would give similar quality of answers.

5.5 Main Study

5.5.1 Preliminary Observation.

A preliminary observation was proposed to understand the context of this change. The observation was carried out during one of the earlier meetings held by the new production directors with the plantation managers of the company in July 2012. During the meeting, 32 employees were males, while only 1 employee was female. Position or rank-wise, there were production director, 2 departmental heads, 1 unit-group general manager, 4 unit-group managers, and 24 plantation managers/assistant managers.

5.5.2 Stage 1

Stage 1 took place in Timeline 1 (January 2013). The organisational change had only manifested quite recently in the month when the stage took place. Invitation letters were sent in December 2012. In this stage, the translated versions of the IPIP and the WLEIS were distributed to more than three hundred potential participants. By June 2013, 220 sets of the IPIP and the WLEIS were received by the researcher. The IPIP consists of items that measured the Big Five personality traits (the items used can be found in Appendix 2). There are more than one thousand items available for use in the IPIP. The fifty most-used items were selected, ten for each personality trait before performing a pilot. The Wong and Law Emotional Intelligence Scale (WLEIS) consists of two separate parts, ten questions each. Each question consists of two answers;

participants were expected to choose the most relatable options (the items used can be found in Appendix 1).

5.5.2 Stage 2

Stage 2 took place in Timeline 2 (July 2013). In this stage, participants were interviewed to find out ways of coping that they perceived as effective, particularly with regards to the organisational change that recently transpired. Invitation letters were sent in June to gather volunteers for the interviews. Twenty people were selected but only sixteen agreed to participate.

The interviews were audio recorded and transcribed. During the interviews, notes were taken when needed and were crosschecked with the tape recording for accuracy. All transcriptions were standardised in English before analysis. Considering the bureaucratic nature of the company, it was expected that some would refuse to discuss details of their answers, or choose to omit some part of their answers from the recordings. It was being predicted that they would show reluctance or fear of being discovered by their supervisors. In order to tackle this concern, respondents were offered the choice to pause the recording during the interview or they could specify parts that they did not wish to include before the start of the interviews. They would only sign the consent form and would only be interviewed when they were satisfied with this offer.

5.5.3 Stage 3

Stage 3 took place in Timeline 3 (January 2014). The original 300 potential participants were sent a copy of the Coping with Organisational Change Scale (COCS) that was created based on the results from Stage 2. By July 2014, 229 copies of COCS returned. However, only 153 of them participated in Stage 1.

5.6 Data Analysis

Thematic analysis was used to analyse the data from Stage 2. This type of analysis is employed because it consists of identifying, analysing, and reporting patterns (Boyatzis, 1998). Thematic analysis captures the complexity of data as it concentrates on both implicit and explicit ideas (Braun and Clarke, 2006) – which were accomplished by analysing the textual data that was in the form of interview transcripts. There are two ways of identifying themes in a qualitative research; identifying thematic patterns and theoretical thematic analysis (Braun and Clarke, 2006). This research used theoretical thematic analysis where pattern-spotting is driven by the main purpose of this research. To ensure that themes were reliable, themes were labelled and were attached to definitions describing these themes. Avoiding bias during interviews is important, thus themes were only identified during the analysis process and were not predetermined.

Factor analysis was carried out to analyse the validity of items created for COCS. From the thematic analysis, six patterns were identified. The six patterns identified are explored in Chapter 6, while COCS is discussed in Chapter 7. Bivariate

analysis was then conducted to determine the correlation between personality traits, emotional intelligence, age, rank, and rank. Data collected from stage 1 and stage 3 were cross checked, with final sample N = 125. Hierarchical regression was then used to explore the hypothesised relationships between independent variables and coping behaviours as well as the interactions between the independent variables and the moderators. Both bivariate analysis and hierarchical regression analysis were carried out with SPSS version 20.

5.7 Reflection

For most part of the data collection, participation rate was positive where around 200 respondents participate in Stage 1 and Stage 3 of the study. That being said, there were several challenges during the data collection process due to the nature of the study that required different stages of data collection in a span of one year.

The company adopts mass hiring process, in which a batch of new employees would selected and recruited every several years. No new recruitment would take place in between the mass hiring. This had caused a challenge in getting the same participants for current study Stage 1 and Stage 3 data collections. Although both stages received roughly 200 respondents, only half of them were in both Stage 1 and Stage 3. Upon further clarification with the company's Corporate Secretary Manager, it was reveal that several participants from Stage 1 had retired by Stage 3, which took place a year after Stage 1. Considering the mass hiring system that the company adopts, it was very likely that quite a number of employees retired in the same time. It is also

important to note that average age of retirement in Indonesian state-owned enterprises is 55.5 years old. Others were either relocated to a different state-owned enterprise, moved to subsidiary companies, or had quit the company. The company's Corporate Secretary Manager had also informally confirmed that this might be the case.

During Stage 2, where several employees were interviewed, a prominent problem surfaced during the process. Many of the interviewees were reluctant to discuss sensitive issues because they were afraid that it would jeopardise their positions in the company. Although it was explicitly explained to the participants that their identities would be classified as confidential and that only the researchers had access to their information, there were still some scepticism shown by the interviewees. There were also time where interviewees agreed to explain in detail their respond but chose to do it off record. This research has failed to take into account the effects of the bureaucratic and paternalistic nature of Indonesian state owned enterprises. In this type of organisation, leaders are seen as a father figure in which it is expected from the subordinates to conform to orders given by their leaders (Irwanto, 2011). Subordinates are expected to be polite and low profile, where assertiveness is very often considered to be disrespectful (Geertz, 1960; Irwanto, 2011). This might have contributed to interviewees' reluctance during Stage 2 where they often chose to answer the interview off-record because they were afraid that it would affect their job.

To overcome this, future research in state-owned enterprise would have to take into account this organisational culture. Informal meetings or ice breaking sessions might help reduce the scepticism by participants. Although this would make data

collection process longer, it would allow the research to capture more in-depth and valuable information.

Chapter 6: Qualitative Findings 1 - The Organisational Change Events

In 2011, the company underwent a number of major changes in the composition of its management team. This event happens once every five years (which is referred to as a single period), and entails a rotation of persons in charge of each department. In late 2011, three new directors were assigned; one of the previous directors was reassigned to serve as the director of another department, and one director remained in the same position. The restructuring of the board of directors took about a year before it fully transpired.

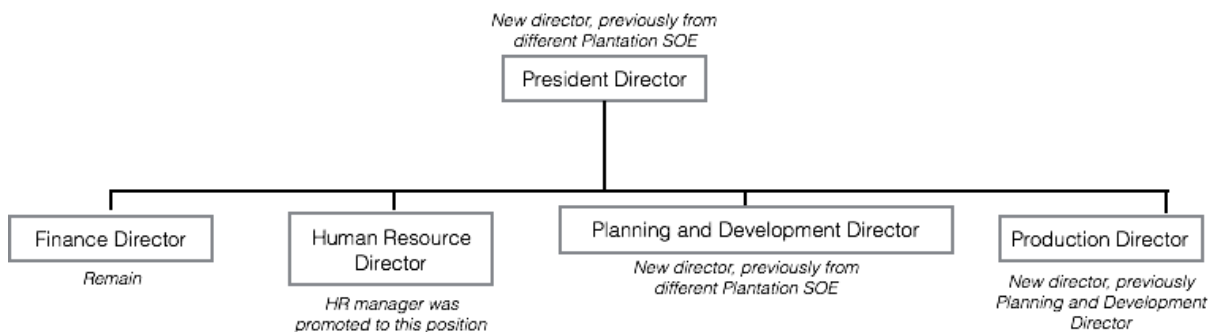


Table 6. 1 Revised Organisational Structure PTPN IV management team

The Production and Human Resource Departments had the same directors for the previous two periods. Per regulation, a director could only remain as the head of a department in the same state-owned company for a maximum of two tenures, approximately around eight to ten years, depending on the government’s decision on when to initiate the rotation. In the case of PTPN IV, the previously mentioned departments would have new directors for the new management team. A director who was previously leading the Developing and Business Planning department was

transferred to the Production Department after a single tenure of authority. A new director was appointed to head up the human resource department after being promoted from the post of president-director of another department. This section will explore the current situation in the company and identify noticeable changes.

6.1 Early Stage of Change – An Observation

It was expected of the employees in the production department and human resource department to adapt to a certain culture that had been embedded by the previous directors for the past decade. The change in the company's top management team would certainly affect this culture as new individuals would bring new visions and ideas to the departments. Hence a preliminary observation was proposed to understand the context of this change. The observation was carried out in one of the early meetings held by the new production directors with the plantation managers of the company in July 2012. This observation was carried out in August 2012. During the meeting, 32 employees were males, while only 1 employee was female. Position or rank-wise, there were production director, 2 departmental heads, 1 unit-group general manager, 4 unit-group managers, and 24 plantation managers/assistant managers.

6.1.1 Findings from the Observation

When the meeting began, various behaviours were observed from the plantation managers. Majority of them were diligently writing notes and were not

really talking to each other. At the start no one was really paying attention to the new directors. Gradually however, most of them stopped and started making more eye contact with the production director. One notable incident observed was that it seemed a number of employees failed (whether accidental or deliberate) to put their mobile phones on silent mode causing occasional disturbance at random times during the meeting.

Despite this minor inconvenience, most of the managers appeared to be serious while listening to the president director, but their expressions relaxed when the plantation department manager began his speech. It seemed there was some sort of unfamiliarity between them and the new director. The director himself was not a new face. Most managers had met him because, previously, he had served the company in a different capacity and in a different department. However, this did not seem to really allay their feelings of uncertainty towards him and it was observed how they seemed to distance themselves from him.

During the discussion, it was observed that most managers were not interested in discussions that did not directly involve the plantations that they managed. Managers tended to zone out of the discussion when they felt that the topic was about something else. There was little interest in what other plantations were going through and there was no effort to reflect on how the experiences of other plantations might impact theirs or their own work.

As the meeting progressed, the working culture differences between the managers and the new upper management became more apparent. In comparison to

the other participants, the Director, Head of Plantations, Head of Technical Engineering, and the General Managers were optimistic and interactive.

The other managers, on the other hand, were more laid back and lacked enthusiasm during the discussion. Participation from them was scarce. This is probably due to the expressed difficulty of most of the managers in coping with the fast-paced implementation process and detailed field analysis. It was evident that the managers were not prepared to address the issues raised regarding the plantations they managed. It was also apparent that the managers were defensive and seemingly discouraged when their shortcomings were pointed out by the new heads. Thus rather than offer evidence to refute the problems or come up with viable solutions, the managers spent the better part of the meeting making up excuses.

Most of the managers were accustomed to being led by an autocratic leader thus they traditionally just waited for directions from the upper management. They were not used to making their own decisions. This was in sharp contrast to the new management team's vision of building a more collaborative communication style with the employees. Throughout the meeting, the production director and the two heads of departments made multiple attempts to encourage managers to speak up and participate in the discussion. However the managers seemed to be very reluctant and remained mostly quiet. One respondent later described what many of them felt thus; *'we would have wanted them to just tell us what we needed to do'*.

From the observation, there were three main identified patterns during the meeting; lack of knowledge, employees' attitude throughout the meeting, and unfamiliarity with the new production director. Things that the observation looked at

include behaviour when others were presenting, interaction with the new production director, and reaction or signs of emotions during the meeting. These patterns were specific to only the production department, and did not represent other departments such as the human resource department.

It became apparent during the meeting that the change event led to a change in work ethic and also change in the culture of the organisation. Having an outsider step in and describe the problems in the various plantations to the managers led to a sense of uncertainty and fear amongst the plantation managers. It was evident in the meeting that the plantation managers were reluctant to propose their ideas and bring forward proposed solutions. Many of them were just waiting to be told what to do. The new production director however was observed to be wanting to gather ideas from the managers and kept asking them for ideas and initiatives. He was evidently frustrated because all he felt he heard were 'excuses.' This led to frustration for both sides as neither side really had a clear idea of what was to be expected from the other party.

It was clear that the new production director and the plantation managers had different working styles and set of expectations. At this initial stage of the organisational change, the reactions and behaviours of some of the managers was to be expected. As it was still pretty early in terms of the timeline of the change event, the plantation managers showed behaviours that were representative of the first stage of the coping cycle- denial (Carnall, 1990). The managers exhibited behaviours such as lack of enthusiasm throughout the meeting, feeling discouraged and angered when their faults were highlighted, or showing lack of interest when the director and other managers were going through the department's problems.

The observation highlighted some noticeable unfamiliarity between the production director and the plantation managers. Most of the managers looked confused and uncertain regarding how to present and organise themselves during the meeting. This could possibly be due to their old ties with the previous production director who held the post for eight years. It was observed that the managers still had their residual ties binding them to the previous production director possibly reflecting the strong psychological contract that existed between the director and the managers. Having a new production director to manage them now meant that they would have to build new ties and enact new psychological contracts.

At this stage of the research, it was determined that the stage 1 data collection on coping would have to be put on hold and carried out at least one year after the initial observations were conducted. Because the change event was still in its early stage, sufficient time had to pass in order for the researcher to accommodate the purpose of the study and better capture the perceptions and experiences of the participants

6.2 The New Management Team and Reactions of the Employees

In July 2013, interviews were carried out to identify the coping strategies that the employees had taken during this organisational change. During the interviews, several respondents had explained some major changes in leadership styles and some of their concerns regarding this change. The respondents mostly discussed the leadership style of the president director and the production director. Their different

leadership styles had yielded different expectations and working cultures. Below is a summary of identified changes in the company.

No	Changes	Description	Quotes
1	New President Director	Forceful leading style	<p><i>"...the president director sometimes forces his opinion and expects quick results from almost everything. Well, considering how he has knowledge of almost 'almost' everything, he forces us to think the way he thinks. In reality, almost everyone is demotivated by this." (Respondent 4)</i></p> <p><i>"...is always visiting the plantation, however, he always yells at the workers every time he visits." (Respondent 10)</i></p>
2	New Production Director	Visits plantation sites regularly	<p><i>"The production director is directly involved in our plantation. He always visits the plantation area and always monitors our</i></p>

			<p><i>productions." (Respondent 10)</i></p> <p><i>"...the BODs tend to visit the plantation often. They rarely did so in the past. Now, BODs always visit the plantation department, especially the production director." (Respondent 5)</i></p>
		Direct leading style	<p><i>"I'm from the production department... production director has a clear cut and direct style." (Respondent 1)</i></p>
		Changed production process	<p><i>"The current production director managed to change the production pattern around here, making it much more productive" (Respondent 4)</i></p>
		Provides guidance when necessary	<p><i>"...he (previous production director) did not do anything to solve the problem and only talked about it. The current</i></p>

			<p><i>production director is able to guide them by always asking his subordinates about new predicaments." (Respondent 10)</i></p>
3	Finance department	Each department now has to ensure that they do their own budgeting	<p><i>"Every department, such as the plantation, IT, or HR, will create their own budgets, which later will be reviewed by the company's administration." (Respondent 5)</i></p> <p><i>"...now every level has started to properly think of their budgeting and weigh their decisions properly, taking more active roles in it." (Respondent 3)</i></p>
4	External factor	Palm oil's price dropped	<p><i>"...because of changes in the price of palm oil, our production was shaken. As the price and our production is on the decline, I think, now we are trying to</i></p>

			<p><i>work harder and become more efficient."</i></p> <p><i>(Respondent 15)</i></p>
		Economic condition	<p><i>"...they are used to working leisurely and now they cannot do so with the current economic condition. Back then, everyone was so relaxed because it was always reported as 'safe; no problem'. Now, they cannot do so because of the current economic conditions, and thus, they should fight against it." (Respondent 10)</i></p>
			<p><i>"...mainly because everything was so easy back then: high selling price, good production, and high profits. Now that we are facing economic challenges, we are kind of 'shaken'. This might be worsening because we've been carried</i></p>

			<p><i>away with the previous working environment and different leadership styles of the new BOD." (Respondent 11)</i></p>
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Respondents primarily expressed negative opinions towards the company's president director. He was perceived as insensitive in his leading style, with a more autocratic style of leadership when dealing with subordinates. They felt that he expected them to follow orders without question or resistance. One respondent also mentioned that she felt that the president director was not as transparent as compared to his predecessor making it difficult to understand or read what was expected of them as employees.

In contrast, most respondents showed a more positive reception towards the company's new production director. Although they seemed to be really uncomfortable around the production director at the beginning of the observation period, the production director was later on portrayed as someone who brought in beneficial changes to the company. Prior to his current position, the production director was the previous planning and development director. So unlike the president director who was transferred from a different state-owned enterprise prior his current posting, the newly installed production director had been with the company for five years.

Whilst most employees in the production department had yet to have direct interaction with him, a number of respondents highlighted that they were surprised by the new work ethic that the new production director brought into the department. Production targets were increased and employees were expected to work with greater efficiency. Although demands were higher, most respondents faced the challenge with a more positive attitude. They believed that despite having to change the way they work, the production director provided proper guidance and was always open to new ideas and discussion.

Another identified change from the interview was that all departments within the organisation would have to plan their budgeting themselves. Although this was not totally new, it was not until the 2011 change management event that this practice was given emphasis. Majority of the respondents admitted that they were able to manage their budgets better since the new BODs began their term. A respondent from the finance department also explained that they became considerably stricter with the budget approval process, which although was welcomed, also felt like an additional burden in terms of expectations and workload for the employees.

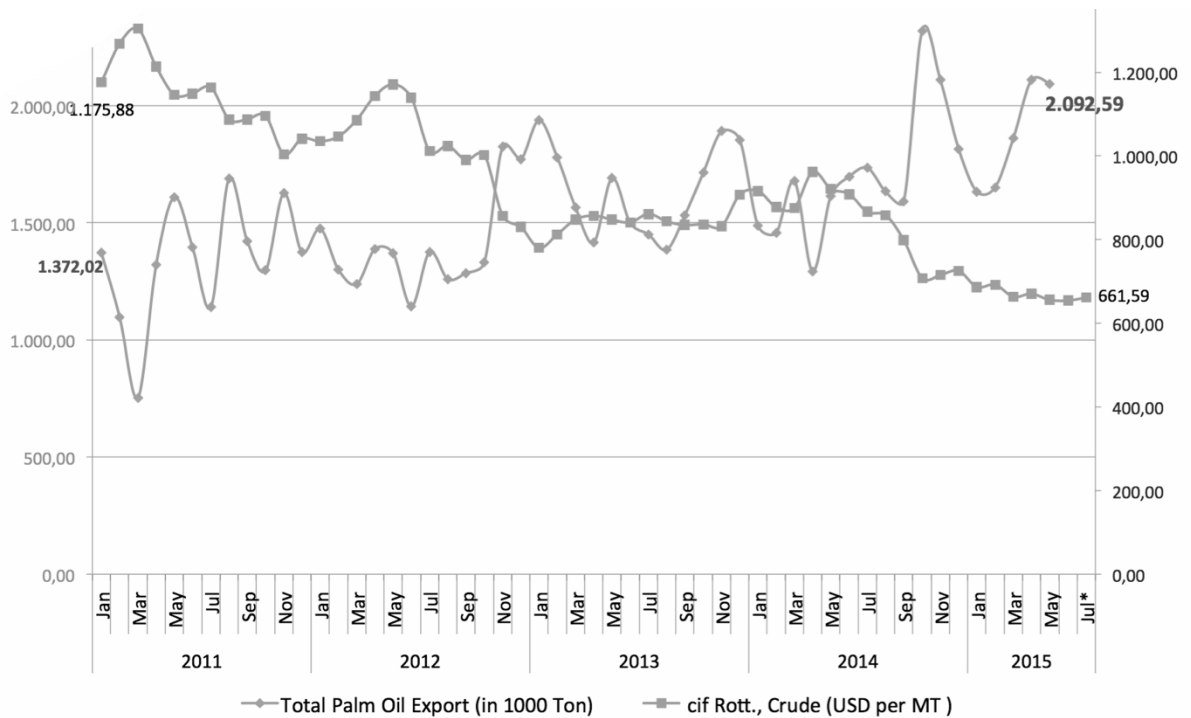


Table 6. 2 Crude Palm Oil Price and Export 2011 - 2015 (Gapki, 2015)

Aside from internal changes, externally driven changes also affected the company in 2011. Compared to previous years, the price of crude palm oil (the company's main production output) significantly dropped. Although, Indonesian crude palm oil export recorded significant increase for the past five years, Table 6.2 illustrates the drop in crude palm oil prices. This forced the company to reorganise their working culture to be able to match their efforts with this external change. The company had to adjust to the high export demand, but also worked around the dropping price of crude palm oil. It was explained during the interviews that the company used to be very relaxed and they were assured that they would gain profit. However, with the decrease in oil prices, this was no longer the case. A respondent also pointed out that this added to the pressure that they were already feeling from the different leadership styles of the new BODs. Raw materials and other purchases now had to be cost effective.

Chapter 7: Qualitative Findings 2 – Coping

Behaviour

In order to link personality traits and emotional intelligence, there was a need to develop an appropriate instrument to analyse coping behaviour in organisational change. Currently available questionnaires on coping such as Ways of Coping Questionnaires or WCQ (Folkman & Lazarus, 1988) and COPE inventory (Carver, 2013) measure one's ability to cope where stress is the main predictor of one's coping ability, instead of treating coping as a process or a by-product of a different set of variables. Moreover, these questionnaires also consist of items that may not be applicable in an Asian context, specifically among Indonesian participants. Cultural differences in relation to coping has been stressed in previous studies (i.e. Pidgeon, Bales, Lo, Stapleton, & Magyar, 2016; Chang, 1996; Vandervoort, 2001) and are likely to affect the reliability of existing questionnaires. For example, religion plays an important role in a typical Indonesian life (Rinaldo, 2008) as it is considered to be one of the country's five core principles. Recently, there has been growing interest among scholars about the role of religion in terms of coping with life stressors and challenges (i.e. Ahmad et al., 2011; Lin & Bauer-Wu 2003). Currently, available questionnaires hardly emphasise this factor, their use may overlook a very important factor in coping for the research sample.

This research sought to study individuals' coping behaviour within an Indonesian state-owned enterprise, thus it was necessary to create an instrument that would accommodate the purpose of this study.

In creating this bespoke coping behaviour scale, face to face interviews were carried out to identify the coping behaviours used in the Indonesian context. This chapter will elaborate on the findings and describe in detail the patterns or themes identified from these interviews. A discussion will follow to understand the creation of the effective coping behaviour instrument in greater depth.

7.1 Result

Interviews were carried out for around six to eight months after the SOE's new BoDs assumed office. Around 25 employees who had participated in the research's first stage were invited to participate in the interviews and sixteen respondents consented to be part of the data collection. The participants comprised of 13 males and 3 females. The interview was focused on the respondents' perceptions and opinions with respect to the recent change in the company, the felt effects of these changes and their coping behaviours in relation to the changes they experienced in the organisation. The complete set of questions asked is found in chapter 5 and appendix 4.

7.1.1 The Change Context

This section will discuss the context of the organisational change that arose ever since the change. From the interview itself, the changes that individuals in this company faced were identified. The respondents zeroed in on a number of positive and negative changes particularly in the areas of leadership style, organisational culture, and management style. No major systems or procedural change occurred since the new BoD was put in place.

One of the major changes identified was the improvement in terms of efficiency in responding to issues and concerns. One of the respondents described how the change in BoD changed the pace of their department.

“It takes less time for the directors to discover problems those in the field are facing. There is more transparency in this department compared to before. During every field visit, whatever problems that have been perturbing the unit, will be immediately discussed. It is relatively fast to find a solution this way and the process is not dragging. That’s what’s happening now.”

(Respondent 2)

“From the production perspective of this particular plant, the targeted yield has been achieved. The current production director managed to change the production pattern around here, ultimately raising the productivity rates” (Respondent 4)

Similarly, another Respondent expressed that having a new production director who seemed to be more involved and encouraging has inspired employees to be more productive and efficient as compared to his predecessors. A more streamlined production process was put into place allowing employees to solve problems within a shorter time frame. Another respondent (Respondent 4) highlighted that productivity levels have generally increased in the aftermath of the change.

Several respondents acknowledged that since the new production director moved from his previous department (planning and development) to the production department, employees learned to pay more attention to their budgets

“...now every level has started to properly think of their budgeting and weigh their decisions properly, taking more active roles in it.” (Respondent 3)

Other changes in the organisation’s leadership however received mixed reviews. The president director of the company was replaced after holding the post for eight years. One respondent described the differences in leadership style between the previous (Mr. D) and current president director (Mr. E)

“It is undeniable that the BoD will have to change every now and then, since it’s under the government. Everyone does expect the style of each new BoD to be different. With this change,

of course, there are people that adapt pretty quickly and there are those that tend to find it hard to accept. With that said, then why is it hard for some people to accept these changes? We can use an analysis of this company as an example. The president director has changed from Mr. D to Mr. E. Mr. D has a family-like where he behaves like a parent for all those below him. They both have about the same objectives and goals but with two different styles of approach. During Mr. D's management, it was a more nurturing culture. People felt a lot more comfortable and it wasn't hard to accept the change when Mr. D was in position. As for the current one... well, his style is indeed different. Coincidentally, I've known Mr. E since before he joined the company's BoD. He's very result-oriented, and always prefers fast-paced operation. Whatever he wants has to be achieved as fast as possible. Secondly, each individual has different skills and knowledge. From what I can see, Mr.E possesses knowledge regarding 'almost' every field in this company, so he 'knows' almost everything field-related. We've been way too used to the comfortable way of working. This new style, of course, shocked some people, but maybe this is what working is actually all about. All this time, everything seemed to be very easy. It wasn't even hard to gain profits. The reasons why it seems to be harder is because of the new management styles and the economic problems we are facing, such as the decrease in market price."

(Respondent 11)

Some of the respondents expressed their concerns and distress over the increase in pressure they felt from the new president director

“With that being said, the president director sometimes forces his opinion and expects fast results from almost everything. Since he possesses a wide scope of knowledge, he forces us to think the way he thinks. In practice, almost everyone is unmotivated by this. Fortunately, there are a couple of directors – I won’t give their names – that try their best to motivate everyone. There are a lot of changes, of course.” (Respondent 4)

“There are times when our performance is compared with other companies that have really, really great performance. There are times where I feel that it’s extremely unrealistic to aim that far in such a short time... Sometimes, the natural environment is different, the human resources are different. Thus, it is unrealistic to try to duplicate what those companies have achieved.” (Respondent 9)

Taking into account the testimonies from the two respondents along with the insight of the comparison provided by Respondent 11, it can be concluded that those who did not know the main-director prior to his term in the company had difficulty adapting to his leadership style and demands.

7.1.2 Management Skill

Some respondents elaborated with sufficient detail on how they worked around their management skills to cope with the change that they were facing. The employees seemed to try to prioritise the main objective of the company to ensure their commitment.

“First of all, we should always remember that the first objective of every operation is to gain profit. We should try to meet the target being set, with the new pace, the new system, the new style.” (Respondent 11)

Respondent 11 then continued on with the subsequent steps to adapt to the change. From listing down the necessary priorities, the respondent then stressed that it was important to be meticulous in doing their job. Another respondent also supported his statement.

“The ways we do things have to be gradually changed to fit the current condition. Now, let’s say we’re sending a proposal or report to the main office. A document error will cost us time - as it will be sent back to us to be fixed. But it somewhat taught us how to do things properly, to be more detailed, and extra cautious in doing our job.” (Respondent 11)

“The proper working hours weren’t such a big deal before. But now since we have to lower our budget, we have to prioritise it.” (Respondent 9)

Picking up from the new working culture mentioned in the previous section, where budgeting had become one of the crucial processes – specifically in the production department – the respondent seemed to start to divide extra attention to their documents. Other respondents also seemed to have picked up many management skills that they could utilise to help them cope with this new fast-paced production process.

“Back in the day, there were no iPads, things weren’t online, so it was so much effort to adapt to new situations. But things are easier now. Information is everywhere. We should be able to be more prepared, be more efficient and more effective than before.” (Respondent 1)

“It’s just that we have to really follow through every plan, applying full control. A lack of control will cause all sorts of problems, especially during the period where we’re still getting used to the new style.” (Respondent 11)

“I have to have the attitude of always being able to contribute and give something to the company – regardless of who’s in charge.” (Respondent 13)

Based on the results, three key behaviours emerged: time management, organisational skills and avoidance. Employees appear to cope with change in three stages. The first stage involves (a) *identifying the main priorities* and (b) *having the right attitude*. The second stage consists of (c) *utilising technological*

resources and (d) *having absolute control over tasks*, while the final stage suggests (e) *double-checking every document created* and (f) *ensuring that required working hours are fulfilled*.

In (a) *identifying the main priorities*, respondents seemed to exercise a practice of remembering that gaining profit is the company's primary objective. This is in accordance with the discussion regarding Indonesian state-owned enterprise's roles in chapter four where the government had started to require these enterprises to gain profits in addition to their original objective of providing job opportunities (Firmanzah, 2010; Metro TV, 2010).

The next priority that respondents noted as important was (b) *having the right attitude towards change*. With the frequent BOD changes, the employees are constantly aware that they will face multiple changes because of this, they express that they would be unable to cope if they lack a positive attitude. In this case, it is implied that a negative attitude towards change, or often referred to as resistance (Coch and French, 1948), would be undesirable. As mentioned in chapter 1, most resistance to change is due to an individual's feelings about leaving their comfort zone. The respondents often mentioned that watching their colleagues and subordinates leave their comfort zone has resulted in an increase in undesirable and negative attitudes. Coch and French (1948) suggest that these negative attitudes are often hard to detect, but with changes happening every three to five years in the company this research took place, it can be concluded that negative attitudes have become easier to notice. Most of the employees had long term tenure due the nature of state-owned

enterprises in Indonesia. Assuming that a manager has at least twenty years of working experience with the company, he/she would be able to notice negative attitudes towards changes by referring to his/her past experiences. As mentioned in chapter 2, Pennebarker (1989) suggested that individuals with high negative affectivity tend to suffer more. During their tenure, most employees would come to the opinion that *having the right attitude* towards changes was essential for coping.

The steps in stage 2, according to the information extracted from the interview were, (c) *utilising technological resources* and (d) *having absolute control over tasks*. These could be included as part of the respondents' coping strategies and styles – specifically their problem-focused strategies. This stage particularly showed how the respondents would confront problems arising from the constant change; facing them directly and trying to assume full control over it. It can be said that, based on this result, alongside other coping strategies that they might have chosen, most of the respondents preferred to use problem-focused strategies.

In stage 3, where (e) *double-checking every document created* and (f) *ensuring that the required working hours were fulfilled* are the steps that most respondents usually took, it once again confirmed the respondents' preference to use problem-focused strategies. The step (e) *double-checking every document created* to avoid mistakes was identical to a problem-focused strategies' trait where necessary actions would be taken to avoid any damage or harm (Lazarus

& Folkman, 1984). For (f) *ensuring that the required working hours was fulfilled seemed* to be a rather ambiguous step.

7.1.3 Problem Solving

Aside from management skills, the respondents spoke of actions they had implemented to solve problems that emerged ever since the change took place. Majority of the respondents touched on the importance of brainstorming and making extra effort to analyse every plan and decision they had to take.

"I always tell my colleagues that we have to be active to adjust to this new pace, though, of course, some briefings become extremely necessary to cope with it to motivate everyone."
(Respondent 1)

"...now every level has started to properly think of their budgeting and weigh their decisions, taking more active roles in it."
(Respondent 3)

"Things like 'how we should do it' and 'how we should evaluate it', we all have to find out on our own." (Respondent 9)

Most respondents seemed to favour active participation, briefings, and meetings; which had given the impression that discussions are one of the most used problem-solving methods.

The interesting thing about the interviewing process was how the Indonesian management style became quite apparent in the respondents' coping methods. Respondents showed many examples where *Bapak*-ism and the *Gotong Royong* system had been used properly and favourably received. *Bapak*-ism is a management trait that most Indonesian companies adopt. It is a practice where one's colleagues and subordinates are treated and nurtured as part of their family. In most cases, this is supported with the *Gotong Royong* system, which emphasizes the collaboration and interdependence of each participant.

"...this plant became a pilot case, with the support from our manager. It makes us think of our production director as not as our boss, but more like our parent. This applies to our manager as well. He's more like a parent. We also try to implement this method with even the lowest-level employees." (Respondent 4)

"He had always been a very unmotivated worker. He never offered any suggestions or participated in constructive discussions. But I think by trying to understand this person more, trying to know who he is as a person, his characteristics and stuff, we can create a more family-like relationship with him and encourage him even more." (Respondent 4)

In coping with the pressures and new fast-paced production procedures, majority of the respondents seemed to rely heavily on their past experiences.

“When I was in the main office, I was already aware of how things work in each and every plantation. At least, in general. So, I have an advantage from my previous field experience before I was assigned here. I more or less knew what I was getting into, so you can say that I was prepared.” (Respondent 4)

“For example, price and budget efficiency. We try to find material with just as great quality with lower price. We also try to improve our productivity. We used to work only 7 hours a day, but now we try take our overtime. We also try to encourage the blue collar employees to work a minimum of 7 hours a day like they’re supposed to.” (Respondent 9)

“Before I came here, I had some experience when I was in Adolina. Although I was still an assistant, I already knew what to expect when I moved to this plant. Actually, my background is in tea plantation, but as you know, Bah Jambi concentrates solely on palm oil plantation. So, during my time in tea plantation, I got used to the high intensity of work. Especially because the market price of tea has never been that appealing, and because of that, I worked hard to produce something.” (Respondent 13)

Based on the results, it appears that the respondents relied on several problem-focused approaches to coping with change. These actions are (a) *regular briefings and meetings*, (b) *budget planning*, (c) *procedures and results evaluation*, (d) *mentoring and coaching*, and lastly (e) *using past experiences as*

a guide. Considering how changes had often transpired, and would definitely reappear in the future, respondents seemed to have developed a typology style Hannan and Freeman (1977) of problem-focused strategies in coping; which means that it has become a habit to directly confront changes. Constant exposure to change appears to be a reason why most respondents appear to be readily able to specifically identify and elaborate their problem-focused strategies instead of showing rejection towards the idea of change itself.

Among the five actions stated in the previous paragraph, (a) *regular briefings and meetings* and (d) *mentoring and coaching* could be considered necessary steps in building an ethical climate as suggested by Grievies (2010), who discussed the importance of moral reasoning by Kohlberg (1981). *Regular briefings and meetings* and *mentoring and coaching* are good examples of how respondents attempt to ensure that everyone was able to rationalise a moral reasoning of every emerging problem in the change process. Although most of the respondents showed promising abilities to cope, they had noticed how some of their colleagues or subordinates were not able to rationalise the change. By having briefings, meetings, mentoring, and coaching, the respondents would be able to create awareness of the problem, reinforce desired behaviour and avoid unwanted negative attitudes. This also showed that, due to the nature of regular change of a BoD, respondents have developed an attentiveness to also help others with their coping strategies.

The respondents appear to have built their problem solving skills by creating a holding environment (Cameron & Green, 2004) through those

briefings, meetings, and evaluations. Psychologists have identified that a holding environment in a team, or also often referred to as facilitating environment, is considered to be a change agent that encourages individuals to feel at ease and allows them to calmly face organisational change (Cameron & Green, 2004).

7.1.4 Consulting

In line with the predominance of *Bapak*-ism amongst state-owned enterprises, nurturing, coaching, and mentoring play important roles in the organisation. Majority of the respondents described how the current BoD encouraged consultation among employees.

“For example, let’s say there’s a problem in one of our units. The unit now will not hesitate to talk to our director for advice, and he will mostly give them a suggestion right away. It doesn’t take time to solve anything at all. You can now e-mail him and get a proper reply.” (Respondent 2)

“I would rather ask around first to make sure that whatever I did was within the expectations of Mr. H.” (Respondent 1)

“When there’s a problem, we can always refer to our respective department.” (Respondent 2)

Apart from consulting their colleagues or supervisor, a number of respondents showed great interest in initiating the consulting process with their subordinates. This appeared to be hugely influenced by the Indonesian *Bapak-*ism management style that dominates the culture of many state-owned enterprises in Indonesia.

“The pattern that we all are looking for is ‘being harmonious’, meaning we have to embrace and mentor our colleagues.” (Respondent 4)

“We have to take the initiative to coach and mentor our subordinates.” (Respondent 9)

The decision to initiate consultation amongst themselves and subordinates seems to arise from their need to manage co-workers or subordinates who are resisting the entire idea of the organisational change. As respondent 1 describes,

“We sometimes have to guide them on every step they have to take, and let them know that the current situation is much better compared to other companies in the same industry” (Respondent 1)

By encouraging employees to directly consult their line managers, supervisors are able to explain the rationale behind the change more effectively and thereby reducing some of the associated resistances with change. The act of consulting is considered to be part of the change agents that individuals can use

to help them cope. The act of consulting is seen as an act of love in which it is the genuine desire to help another person's burden by using one's past experiences (Block, 2000). The act of consulting itself is divided into two processes where individuals have to be authentic at all times and where individuals have to physically attend the consulting process (Block, 2000; Cameron and Green, 2004). This is supported by the respondents' preference of forming a harmonious and cooperative relationship with their subordinates or colleagues.

The act of consulting is crucial in one's coping processes. As discussed in chapter 2, researchers found the importance of personal resources that often can be found as social supports (Terry, Nielsen, and Perchard, 1993; Terry and Callan, 2000). Being able to relate to individuals in their social resources will psychologically help the coping processes. Respondents, specifically those from the production departments, showed the significant importance of being able to talk directly to their production directors (often referred to as Mr. H in the interviews) as it allowed them to solve problems more effectively and efficiently. This phenomenon has been mentioned many times in coping and change literature where social resources are often attained from relationship with colleagues, or even better, one's supervisor (Caplan, Cobb, French, Harrison, and Pinneau, 1975; Schweiger et al, 1987). This is also in accordance to Hannan and Freeman's (1977) typology which assumes "some cross-situational, relatively stable problem solving tendencies in individuals" (Menaghan, 1982). This style involves enacting the effort to ask for help during difficult situations.

Respondents have shown that it has become an important strategy to survive the constant change.

7.1.5 Self-Development

As part of their coping methods, some of the respondents mentioned that they tried to view the change as part of an opportunity to learn and an opportunity for self-development.

“But if even after doing everything we can, we fail to meet these expectations, then it is also a good opportunity to realise that this might be our limit. We should learn more and develop ourselves. The new BoD has also emphasised on the importance of self-development. We are encouraged to read and learn more.”
(Respondent 11)

“...the only thing that is constant is change. It’s about how we face it. We shouldn’t stay in our comfort zones all the time. We’re not going to move forward and become better if we stay there. It’s about finding these challenges that I have mentioned earlier. If we can face our challenges straight on, we will gain satisfaction. There is a limit to how much we can think or work, but with these changes, maybe God will grant you the ability to develop even more.” (Respondent 13)

Kolb (1984) suggested that by going through the process of acquiring knowledge based on past experiences, individuals would be able to create new habitual behaviour in the future. This is considered to be crucial as respondents showed interest in changing the way they performed to accommodate the change. A respondent had specifically stated that she did not mind receiving criticism if it would help her act in a more appropriate and required behaviour if a similar problem arose in the future. Respondent 1 underscores this with the following statement:

“For me, I don’t really care if I get criticised about how I do things. If what I did was wrong, please, with all you have, tell it directly to my face.” (Respondent 1)

Respondents also described how their colleagues tried to adapt to the change by trying to identify areas for learning and improvement. With the *Bapak-ism* and *Gotong Royong* being the more prominent management styles adopted by the respondents, taking responsibility for one another’s learning appears to be a crucial coping behaviour.

“...there are people that decided to just adapt and go with the flow, to actually evaluate what is being pointed out to them... It’s like they have this ‘I got called out once, sure, but let’s do better’ attitude.” (Respondent 1)

“He took it as a learning process, and there are people like this. For example, the management style of our president director is

not as detailed as everyone wishes it to be. It is very different compared to other directors under him. Like our production director's case, he will criticise you, but he's very detailed. You can turn it into a learning opportunity, if he wants to be positive about it, of course. If not, well, might as well just drown." (Respondent 1)

"Things are not the same anymore and it's actually a good thing because at the assistant-level, this is their preparation. This is them getting all the necessary experience to move forward. When they become managers in the future, they will be prepared for the job. Now, they know how to do their budgets, unlike how it used to be, where production was all they knew about. This will become a developed skill that will be very useful for their career." (Respondent 3)

Overall the results suggest that the employees of state-owned enterprises tried to cope with change through three broad types of self-development- namely knowledge, opportunity and a finding ways and skills to be able to adapt to the change. Most of the respondents showed great interest in interpreting their failure or the process of change itself to a learning process. Change was mostly seen as a good opportunity to recognise their limits and to grow even more.

7.1.6 Resistance

Just like every other organisational change, resistance would always be part of the whole process. This specific state-owned enterprise was no exception. Many of the respondents displayed concern over the resistance that some of their colleagues or subordinates exhibited since the change began. The extent of the resistance was such that sanctions and a fee cut for overtime work were considered as measures to suppress the resistance.

“This new pace has created fear and they are so used to being ‘spoon-fed’. They prefer their comfort zone. This has never happened before. No one has ever thought of a sudden increase of responsibility that follows a promotion. Not until now... So, they decline job offers, or they pretend that their health is not well.”
(Respondent 1)

“Sometimes they will say, ‘No one specifically said to do it that way! We can use the same old methods to tackle this problem.’ But it’s different than how it used to be now.” (Respondent 1)

“What’s really funny is that even when we know exactly what Mr. H wants – which is a very detailed report or proposal – there are still some people that refuse to comply.” (Respondent 1)

“Make them understand that they’re actually pretty lucky compared to those that work outside of the company. Better salary, better benefits, etc. If they refuse to change their attitude after that,

then we will have to give him a sanction, be it a formally-written sanction or a fine such as a slash in their overtime salary.”

(Respondent 9)

It has become apparent that resistance was met with dissatisfaction by most of the respondents. As resistance is the result of an undesirable situation where individuals have to leave their comfort zone (Coach & French, 1948). It is considered extremely unwelcome in this particular company, as all employees believe that cultural change will happen within the next five years.

A number of respondents emphasised the importance of positive thinking. They believe that dwelling on negative thoughts will only cause situations to feel even more difficult. They consider their subordinates or colleagues who were resisting the change, to be spending excessive energy on negativity instead of trying to concentrate on the opportunities that arose from the process. As respondent 13 mentioned,

“If I have to be honest, I don’t like to dwell in negativity, and I tend to encourage my colleagues to do the same. I feel like it’s just such a waste of time. If we can see at least one positive aspect of a situation, we might as well concentrate on that tiny hope instead of drowning in negativity.” (Respondent 13)

According to Lazarus et al. (1974), individuals would often try to regulate their negative emotions by changing their point of view. One respondent also mentioned that he had taken the initiative to make his

colleagues or subordinates understand that they enjoyed more benefits than most employees that worked in different companies of the same industry. By comparing their conditions against others with worse working conditions, these respondents tried to cope by reducing the negative emotions associated with the change.

“What’s important now is our own willingness to follow through with the changes. If we find that the changes are discomfoting, of course, we won’t be able to adapt very well.”

(Respondent 2)

Most of resistance behaviours identified in this theme are reflections of some of the early stage of coping cycle that was explored in chapter 3. The first stage (denial) and the third stage (discarding) seem to fit to most of these behaviours.

From the responses gathered, most of the employees seemed to undergo Kubler-Ross’ first few phases of coping. The phases consist of denial, anger, bargaining, depression, and acceptance. Although Kubler-Ross’ coping phases concentrated mostly on individuals that suffered some type of personal loss, these phases seem to be applicable in this research. Most respondents that refused to adapt to the change were observed to have experienced Kubler-Ross’ first few phases of coping. For the phase of denial, a respondent mentioned that, despite the fact that the change had been made known, some employees did not display any signs of effort to adapt. It was reported that they would make excuses, saying that no one had specifically told them to alter the procedures.

The second phase mentioned, which is anger, was shown by a respondent's example of how some of the employees blatantly refused promotions or used their health as an excuse to escape their responsibilities. The third phase which was bargaining was shown when respondent would question back a certain decision. The fourth phases which was depression was mentioned once by Respondent 1, where the respondent explained how one of the employees of the company got sick all the time and even refused promotion opportunities. The fifth phase which is acceptance was shown in some of the respondent's answers where they had to accept the change and encourage their colleagues and subordinates to do the same. Some respondents gave themselves a rationale where things would always change and not accepting those changes would only create unfavourable thoughts about themselves and those around them.

7.1.7 Uncertainty

One of the biggest challenges of change in an organisation is the uncertainty created from its implementation process. In organisational change, resistance is considered as part of the process (Dawson, 2003), but it is also usually caused by the uncertainty that arises during organisation change. Uncertainty leads to conflicts and grievances hence the natural negative reaction of people to change (Kirkman, Jones, & Shapiro, 2000; Jordan & Troth, 2002).

In this research, majority of the respondents described how uncertainty became their greatest challenge.

“...we’re often left unsure of what is expected from us. Not everyone has the ability to follow through with this uncertainty, especially with a leadership style that everyone still sees as foreign.”
(Respondent 1)

“...sometimes the employees refuse to do what they were assigned because of the lack of transparency - They don’t understand the reason why they have to do such a task or bear such responsibility.” *(Respondent 1)*

Uncertainty created from these changes seemed to create multiple complications – with increasing stress levels being one of the more apparent ones.

“It came to the point when someone rejected a promotion because he couldn’t handle the pressure. Too stressful.”
(Respondent 1)

“Some of my subordinates felt burdened to meet all these expectations, causing their stress levels to increase.” *(Respondent 11)*

Some respondents clearly understood where the changes were headed, and did not display any signs of resistance. In the event that the direction which the company was heading was unclear, many of them displayed

potential in resisting in probably the same manner; which proved that uncertainty was clearly an important variable in change.

“I will not follow the new style or the new implemented culture if the goals and the objectives deviates from the company’s grand strategy.” (Respondent 1)

“As long as we follow the direction that the director wants, and it’s not that they don’t have an unclear path, they do. It is a problem and it is hard to follow their orders if the directions that they provide are unclear.” (Respondent 2)

“As long as they have clear goals and objectives, it doesn’t really matter what management or leadership style I have to deal with.” (Respondent 3)

Based on the results it appears that the uncertainty brought about by the change event created negative emotions and attitudes towards the change that the company was going through. Majority of the respondents stressed the importance of having a clear goal as it was seen as the most desired state that would allow them to somehow adjust and cope with the change.

As mentioned in chapter 4, there were two different leadership styles identified in the company, where president director and production director were perceived as opposites of each other. This created uncertainty and respondents claimed that they were often confused of what was expected of them. This is in accordance to Bueno & Bowditch’s (1989) claim where they

proposed that most uncertainties during change would often include the objectives, processes, expected results, and possible implications for the employees themselves. Respondents that appeared to promise understanding of coping during organisational change had showed that they would not hesitate to resist if they were unclear of the path and objectives that the new BoD was trying to achieve. They stressed on the importance of transparency and clear communication.

That being said, respondents had shown less signs of resisting when they were given proper guidance. In chapter 4, it was explained that the current production director very often gave guidance, shared his knowledge and experiences, and allowed room for discussion. None of the respondents associated uncertainty with the production director, instead more so with the president director who was perceived as being forceful in his leadership style. This is aligned with Terry and Jimmieson's (1999) idea in which knowledge is considered as a prerequisite to encourage change as it reduces uncertainty and increases readiness for organisational change.

Chapter 8: Coping with Organisational Change Scale

After analysing results gathered from the interview stage, a coping scale (Coping with Organisational Change Scale) was created to accommodate stage three of data collection. This chapter will outline and link created items to themes identified in the previous chapter. Each of the themes consists of five to nine items. In the later part of this chapter, an outline of factor analysis will be presented and the rationale behind the final version of the scale will be explained.

8.1 Items based on Interview Results

Based on the interview results, six themes were identified: management skills, problem solving, consultation, self-development, resistance, and uncertainty. A scale on effective coping was created based on these identified themes. Each theme had several potential items that were used to measure one's ability with that particular item. Below is a summary of the six identified themes and the items that accompany each of them:

No	Themes	Items	Scoring
1	Management	(1) I thought of ways that I could better manage my time	+

		(4) I focused on determining the key priorities	+
		(6) I blamed myself for wasting time	-
		(17) I list down tasks based on their new priorities	+
		(21) I tried to be more organized	+
		(28) I focused on staying away from trouble instead of trying to deal with problems at hand	-
		(37) I made things up as I went through the situation	-
		(38) I put things aside when I didn't understand them	-
2	Problem Solving	(2) I tried to focus on the problem to find a way to solve it	+
		(3) I tried to think of the best possible course of action	+
		(5) I considered similar problems which I have experienced in the	+

past to find an appropriate solution

(10) I decided on a course of action

and followed it +

(12) I tried to familiarise myself

with the problem in order to

understand it better +

(14) I tried to analyse the problem

in order to understand it better +

(16) I blamed myself for not having

a solution -

(18) I came up with a couple of

different solutions to the problem +

(25) I used a trial and error

approach to adapt to the current

situation -

(11) I spoke to someone to

understand and find out more

3 Consulting

about the situation +

(22) I tried to seek help from my

colleagues or supervisor +

		(23) I discussed and brainstormed possible solutions with my peers	+
		(30) I tried to be honest with my supervisor when I find it hard to cope and asked for advice	+
		(40) I didn't think anyone would be able to help deal with it	-
4	Self-Development	(9) I tried to improve my knowledge to keep up with the situation	+
		(13) I thought about the event and learnt from my mistakes	+
		(29) I made an extra effort to make things work	+
		(33) I used the situation as an opportunity to show the company what I got	+
		(34) I tried to be more active and involved in managing the situation	+

5	Resistance	(8) I blamed myself for having gotten into the situation	-
		(15) I told myself that it's really not happening	-
		(20) Expressed anger to the person(s) who caused the problem	-
		(24) I pretended that nothing had changed and didn't fulfil the new expectation	-
		(26) I took out my anger on others	-
		(32) I wasn't happy with the change and was considering a job change	-
		(35) I wasn't really aware that there was change at all	-
6	Uncertainty	(36) I gave the task to my subordinate	-
		(7) I was worried about not being able to cope	-
		(19) I wished that I could change things back to how it used to be	-

(27) I couldn't understand the change at times	-
(31) I tended to simply follow what the new directors wanted	-
(39) I was stressed to the point I didn't know I was doing	-

Table 8. 1 Coping with Organisational Change Scale 40 Items

As seen on the table, the scoring column was used as a guide to evaluate the collected results. Items would have either positive or negative scoring, where the direction of the scale depends on the positive or negative scoring assigned to them. The scoring system is identical to the one used for IPIP. This could also mean that the minimum score an individual would get for this scale is 40 points and maximum score that a participant could achieve is 200 points.

The items assigned to each theme were extracted from the interviews and were modified accordingly for universal relatability. A sample of the original version of the scale can be found in Appendix 5.

8.1.1 Management Theme's Items

In their management strategy, many respondents touched on getting organised, setting plans, and trying to be more effective. Three main management skill areas were identified based on this: time, organisation, and avoidance. Item (1) *I thought of ways that I could better manage my time* and (6) *I blamed myself for wasting*

time were created to measure employees' attention to time management. The first item aims to see if employees have ever considered options of time management to help them cope with change. The second item, however, aims to identify if employees have failed to manage their time during their coping process.

Item (4) *I focused on determining the key priorities*, (17) *I list down tasks based on their new priorities*, (21) *I tried to be more organized*, and (37) *I made things up as I went through the situation* were created to measure employees' organisation skills and intention to get organised. The first two items aim to capture employees' specific organising intensives, with the third item created to identify general attempts at being organised. The last item is considered to be an ineffective coping behaviour but is an attempt nonetheless.

Item (28) *I focused on staying away from trouble instead of trying to deal with problems at hand* and (38) *I put things aside when I didn't understand them* are two negative coping behaviour in terms of management skill that are considered as avoidance. Both of the items reflect negative coping behaviour.

8.1.2 Problem Solving Theme's Items

This theme consists of nine different items: (2) *I tried to focus on the problem to find a way to solve it*, (3) *I tried to think of the best possible course of action*, (5) *I considered similar problems which I have experienced in the past to find an appropriate solution*, (10) *I decided on a course of action and followed it*, (12) *I tried to familiarise myself with the problem in order to understand it better*, (14) *I tried to analyse the problem in order to understand it better*, (16) *I blamed myself for not having a solution*,

(18) *I came up with a couple of different solutions to the problem, and (25) I used a trial and error approach to adapt to the current situation.*

Item numbers 5, 10, 18, and 25 are items that will be used to identify effective problem solving actions among participants. These four actions are deemed to be the most effective in problem solving based on the interviews. Item 2 and 3 are items that can also be considered as effective actions but concentrate more on brainstorming processes of problem solving. On the other hand, item 12 and 14 are attempts by employees to cope regardless of whether or not they are effective. Item 16 is a negative behaviour that might arise when employees fail to have adequate attempt at problem solving.

8.1.3 Consulting Theme's Items

The act of consulting consists of five items: (11) *I spoke to someone to understand and find out more about the situation, (22) I tried to seek help from my colleagues or supervisor, (23) I discussed and brainstormed possible solutions with my peers, (30) I tried to be honest with my supervisor when I find it hard to cope and asked for advice and (40) I didn't think anyone would be able to help deal with it.* The items listed were further split into the following three categories: effective coping, coping attempts, and ineffective behaviour.

Item 11, 22, and 23 are considered as effective coping behaviour. These items were mostly extracted from respondents' answers where they would seek help from their supervisor or when they encouraged their subordinates to seek help from them.

These items include specific actions that are deemed as effective by respondents from the interview stage. Item 30 is considered as an attempt to cope with the word “tried” as the main emphasis. As for item 40, the item represents antipathy attitude where employees believe that there is no one that will be able to help them to cope with the organisational change.

8.1.4 Self Development Theme’s Items

Unlike the previous theme, self development theme items consists of only positive coping behaviours and attempts. Items created for this theme are (9) *I tried to improve my knowledge to keep up with the situation*, (13) *I thought about the event and learnt from my mistakes*, (29) *I made extra effort to make things work*, (33) *I used the situation as an opportunity to show the company what I got*, and (34) *I tried to be more active and involved in managing the situation*.

Item 29 and 34 aim to capture employees’ general attempts to personally improve to cope, while item 13 and 33 concentrate more on specific actions where employees treat the organisational change as an opportunity. Lastly, item 9 represents self development that involves improving personal knowledge.

8.1.4 Resistance Theme’s Items

Resistance consists of eight items, which are (8) *I blamed myself for having gotten into the situation*, (15) *I told myself that it’s really not happening*, (20) *Expressed*

anger to the person(s) who caused the problem, (24) I pretended that nothing had changed and didn't fulfil the new expectation, (26) I took out my anger on others, (32) I wasn't happy with the change and was considering a job change, (35) I wasn't really aware that there was change at all, (36) I gave the task to my subordinate.

The items for this theme are divided into four different categories. First category is denial, consisting of item 15, 24, and 32. These items represent denial stage in coping. Although these are considered as negative behaviour which was discussed in chapter 3, denial stage is considered the start of coping. Item 20, 26, and 36, on the other hand, are negative manifestations of employee's anger that is directed towards other people. These items represent actions that are mostly taken by employees during the discarding stage of their coping cycle, which will eventually evolve into an adapting process in the future. Aside from behaviours that represent the first couple of stages of coping cycle, there are two more items in this theme that aim to look at self-blame (item 8) and ignorance level (item 35).

8.1.5 Uncertainty Theme's Items

For uncertainty, five items were extracted from the interview. The five items are (7) *I was worried about not being able to cope, (19) I wished that I could change things back to how they used to be, (27) I couldn't understand the change at times, (31) I tended to simply follow what the new directors wanted, (39) I was stressed to the point I didn't know I was doing.*

Negative emotions towards change are the most mentioned behaviour by respondents during the interview stage. These behaviours were split into two different items, item 7 and item 39. From the interview stage, it was also identified that uncertainty was often created from lack of understanding of the change process itself. To identify this negative coping behaviour, item 27 and 31 were created. Lastly, item 19 aimed to represent another most commonly mentioned attitude towards change, which was the desire to return to the environment before organisational change took place.

8.2 Establishing the validity of the Coping Scale

To test the validity and reliability of the scale, the scale was pilot tested on a sample of 112 participants, consisting mostly of university students and working fresh graduates. Among the participants were 57 Malaysians, 10 Indonesians, and 11 participants from other countries. 34 participants did not specify their nationalities. Additionally, there were 21 male participants and 57 female participants, while the rest did not specify their gender. The scale was distributed both online and through paper-based forms within a period of one month.

8.2.1 Factor Analysis

The first version of the scale was tested entirely in English. Initially, the factorability of the coping scale items was examined. Pre-analysis checks of the items

revealed that the scale was factorable. The Kaiser Mayer Olkin measure of sampling adequacy was 0.72 which was above the recommended cutoff of 0.6 (Field, 2013). Bartlett's test of sphericity was significant (χ^2 (780) = 1998.44, $p < .0001$) and the communalities were all above 3. The initial scale also had a chronbach's alpha of 0.96 indicating good reliability.

The concerning aspect of the scale was the rotated pattern matrix, where Oblimin with Kaiser Normalisation rotation was used. Instead of the predicted six factors - which were derived from the 6 themes identified from the interviews, the factor analysis identified 12 different factors. Possible reason for this result was the fact that there was always high possibility of the items to overlap the themes identified

	Pattern Matrix											
	1	2	3	4	5	6	7	8	9	10	11	12
Q4	0.74											
Q37	-0.69											
Q5	0.58											
Q2	0.50											
Q38		0.67										
Q27		0.61										
Q40		0.58										
Q20		0.58										
Q26		0.45										
Q39		0.45	0.41									
Q6			0.84									
Q8			0.80									
Q7			0.70									
Q16			0.66									
Q36				-0.76								
Q23				0.54								
Q22					0.76							
Q11					0.73							
Q30					0.52							

Q12	0.47				
Q31		-0.84			
Q15		-0.57			
Q28		-0.43			
Q10			0.83		
Q14			0.62		
Q9			0.62		
Q25				-0.69	
Q33				0.62	
Q34				0.54	
Q29				0.43	
Q32					0.88
Q24		-0.42		0.60	
Q18	0.41				-0.65
Q21					-0.61
Q3					-0.51
Q35					0.45
Q17					-0.71
Q19					-0.57
Q13					-0.47
Q1					

Table 8. 2 Original Coping with Organisational Change Scale factor analysis

Total Variance Explained							
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	7.487	18.718	18.718	7.487	18.718	18.718	3.745
2	6.140	15.350	34.068	6.140	15.350	34.068	3.862
3	2.100	5.249	39.317	2.100	5.249	39.317	4.067
4	1.876	4.691	44.008	1.876	4.691	44.008	2.269
5	1.671	4.177	48.185	1.671	4.177	48.185	3.662
6	1.483	3.707	51.891	1.483	3.707	51.891	2.641
7	1.279	3.197	55.088	1.279	3.197	55.088	4.150
8	1.252	3.129	58.217	1.252	3.129	58.217	3.323
9	1.209	3.021	61.238	1.209	3.021	61.238	2.977
10	1.152	2.880	64.118	1.152	2.880	64.118	2.481
11	1.049	2.622	66.739	1.049	2.622	66.739	1.416
12	1.025	2.563	69.302	1.025	2.563	69.302	3.042
13	.942	2.356	71.658				
14	.898	2.245	73.903				
15	.839	2.099	76.002				
16	.768	1.919	77.921				
17	.733	1.833	79.754				
18	.693	1.733	81.487				
19	.651	1.628	83.115				
20	.639	1.597	84.712				
21	.615	1.538	86.250				
22	.565	1.412	87.662				
23	.563	1.407	89.069				
24	.485	1.213	90.282				
25	.454	1.135	91.417				
26	.396	.989	92.406				
27	.388	.969	93.375				
28	.327	.816	94.191				
29	.309	.774	94.965				
30	.302	.756	95.720				
31	.266	.666	96.386				
32	.227	.568	96.954				
33	.207	.518	97.472				
34	.186	.464	97.936				
35	.169	.422	98.359				
36	.163	.408	98.767				
37	.145	.363	99.129				
38	.130	.326	99.456				
39	.123	.307	99.762				
40	.095	.238	100.000				

Table 8.3 Total Variance of Original COCS

Principal components analysis using direct oblimin rotation with Kaiser normalisation was used. Initial factor loadings revealed 12 factors instead of the predicted 6. Cross loading items as well as items with similar meanings were removed. Factors that did not make theoretical and conceptual sense were also omitted from the revised scale. After initial revisions a second round of factor analysis was conducted resulting in 21 items loading into 6 factors. The KMO measure slightly improved to 0.74 and remained above the cutoff of 0.6. The first three factors accounted for 23%, 15% and 7% of the variance respectively. The final three factors accounted for about 16% of the variance of the scale.

The scale required some items reduction and re-arrangement to reduce the number of factors extracted from the factor analysis. Items that were included in two different factors were deleted and factors that didn't seem to make sense were also deleted. The scale was then reduced to a total of 21 items with a targeted factor number of six factors in total.

A further three items (Q15, Q16 and Q30) were omitted from the final coping scale after failing to meet the minimum criteria of having a primary factor loading of 0.4 or above and no cross-loading of 0.30 or above (Field, 2013). In the end, the final scale consisted of 17 items. Table 8.4 below shows the pattern matrix arising from the factor analysis.

		Pattern Matrix					
		1	2	3	4	5	6
Q27	0.73						

Q20	0.67			
Q40	0.66			
Q38	0.63			
Q26	0.57			
Q4		0.81		
Q5		0.73		
Q2		0.71		
Q37	0.47	-0.57		
Q6			0.85	
Q8			0.84	
Q7			0.73	
Q31				0.79
Q24				0.62
Q28				0.55
Q15			0.50	-0.50
Q22				0.81
Q11				0.79
Q12				0.56
Q16		0.45		-0.62
Q30				0.48

Table 8.4 Coping with Organisational Change Scale 21 items factor analysis

8.2.1 Final version of COCS

The remaining 18 items were rearranged and were divided into five new themes, while only two of the original themes from the interview were kept, namely *resistance* and *problem solving skill*. Three new categories were created based on the remaining available items. These new categories consist of *self-blame*, *avoidance*, and *obtaining-information skill*. These three new categories are not farfetched from the original version of the scale as they touched upon the deleted original themes (management skill, self-development, consulting, and uncertainty). The table below is the breakdown of the final 17 items with their scoring and categorisation by the five new themes:

No	Themes	Items	Scoring
1	Resistance	(a) I couldn't understand change at times	-
		(b) I expressed anger to the person(s) who caused the problem	-
		(c) I didn't think anyone would be able to help me deal with it	-

		(d) I put things aside when I don't understand them	-
		(e) I took out my anger on others	-
2	Problem Solving Skill	(a) I focused on determining the key priorities	+
		(b) I considered similar problems which I have experienced in the past to find an appropriate solution	+
		(c) I tried to focus on the problem to find a way to solve it	+
3	Self-Blame	(a) I blamed myself for wasting time	-
		(b) I was worried about not being able to cope	-
		(c) I blamed myself for having gotten into the situation	-

4	Avoidance	(a) I tended to simply follow what the new directors wanted	-
		(b) I pretended nothing had changed	-
		(c) I focused on staying away from trouble instead of trying to deal with the problems at hand	-
5	Obtaining- Information Skill	(a) I tried to seek help from my colleagues or supervisor	+
		(b) I spoke to someone to understand and find out more about the situation	+
		(c) I tried to familiarise myself with the problem in order to understand it better	+

Table 8. 4 Coping with Organisational Change Scale 18 items

The final version of the coping scale comprised of 18 items divided into 5 factors. These five factors consisted of (1) *resistance*, (2) *problem solving skills*, (3) *self-blame*, (4) *avoidance*, and (5) *obtaining information*. These new five factors seemed to

be more appropriate in capturing the effectiveness of the participants' coping ability. The 17 items also maintain a high reliability score (Cronbach's Alpha of 0.78)

The five new factors did not discard the results from the interview, where the identified themes were management skills, problem solving skills, consultation, resistance, and uncertainty. The self-development theme was exempted all together on the final scale, but some kept items from other theme or new theme will still be able to represent self-development actions.

The new *resistance* factor covered three of the original interview themes, which were uncertainty, resistance, and management skills. The problem solving skills factor covered the original problem solving theme and an item from the original management skill theme. *Self-blame*, on the other hand, had extracted many negative behaviour items that were originally part of the management skill theme, the original uncertainty theme, and the original resistance theme. *Avoidance* was similar to *self-blame*, where its items were extracted from the original uncertainty theme, resistance theme, and management skill theme. Finally, *obtaining information* factor's items were mostly part of the consultation theme and one item from the original problem solving skill theme.

For the self-development theme identified in the interview, the reason why it was omitted entirely from the final factors was due to its future-oriented nature and the fact that some of its items overlapped with other themes. For example, the item (9) '*I tried to improve my knowledge to keep up with the situation*' could be interpreted in the exact same way as an item in problem solving skill - which was (2) '*I tried to focus on the problem to find a way to solve it*', as well as another item in the self-development

theme itself – which was (33) *'I used the situation as an opportunity to show the company what I got'*. All of the three items implied taking necessary steps to find ways, knowledge, or control to prepare oneself to face the situation. The item (13) *'I thought about the event and learnt from my mistakes'* was future-oriented and would not necessarily imply an action that one would take during the coping process itself. Instead, it might be an item that predicts possible actions that one would take in the future, in which the action would probably be similar to an item from the original problem solving skill – which was (5) *'I considered similar problems which I have experienced in the past to find an appropriate solution.'* The item (29) *'I made extra effort to make things work'* could be treated as redundant as it did not particularly address a specific action that one would take. This future oriented items were also often labelled as 'attempts' in the discussion of section 7.1. 'Attempts', although considered as part of coping behaviour, do no guarantee positive results – which this scale aims to capture from its participants. With majority of the items in the theme being future oriented, omitting the entire theme was the most rational option to improve the effectiveness of the scale. With only 17 items included for the final version of COCS, participants would be measured based on the five identified strategies.

Below is the comparison between the original version and the final version:

Original Scale

Theme	Item
1 Management	(1) I thought of ways that I could better manage my time
	(4) I focused on determining the key priorities
	(6) I blamed myself for wasting time
	(17) I list down tasks based on their new priorities
	(21) I tried to be more organized
	(28) I focused on staying away from trouble instead of trying to deal with problems at hand
	(37) I made things up as I went through the situation
2 Problem Solving	(38) I put things aside when I didn't understand them
	(2) I tried to focus on the problem to find a way to solve it
	(3) I tried to think of the best possible course of action
	(5) I considered similar problems which I have experienced in the past to find an appropriate solution

17 Items Version Scale

Theme	Item
1 Resistance	(a) I couldn't understand change at times
	(b) I expressed anger to the person(s) who caused the problem
	(c) I didn't think anyone would be able to help me deal with it
	(d) I put things aside when I don't understand them
	(e) I took out my anger on others
2 Problem Solving Skill	(a) I focused on determining the key priorities
	(b) I considered similar problems which I have experienced in the past to find an appropriate solution
	(c) I tried to focus on the problem to find a way to solve it
3 Self-Blame	(a) I blamed myself for wasting time
	(b) I was worried about not being able to cope

3 Consulting

- (10) I decided on a course of action and followed it
- (12) I tried to familiarise myself with the problem in order to understand it better
- (14) I tried to analyse the problem in order to understand it better
- (16) I blamed myself for not having a solution
- (18) I came up with a couple of different solutions to the problem
- (25) I used a trial and error approach to adapt to the current situation
- (11) I spoke to someone to understand and find out more about the situation
- (22) I tried to seek help from my colleagues or supervisor
- (23) I discussed and brainstormed possible solutions with my peers
- (30) I tried to be honest with my supervisor when I find it hard to cope and asked for advice
- (40) I didn't think anyone would be able to help deal with it

4 Avoidance

(c) I blamed myself for having gotten into the situation

(a) I tended to simply follow what the new directors wanted

(b) I pretended nothing had changed

(c) I focused on staying away from trouble instead of trying to deal with the problems at hand

5 Obtaining-
Information Skill

(a) I tried to seek help from my colleagues or supervisor

(b) I spoke to someone to understand and find out more about the situation

(c) I tried to familiarise myself with the problem in order to understand it better

- | | |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4 Self- Development | <p>(9) I tried to improve my knowledge to keep up with the situation</p> <p>(13) I thought about the event and learnt from my mistakes</p> <p>(29) I made an extra effort to make things work</p> <p>(33) I used the situation as an opportunity to show the company what I got</p> <p>(34) I tried to be more active and involved in managing the situation</p> |
| 5 Resistance | <p>(8) I blamed myself for having gotten into the situation</p> <p>(15) I told myself that it's really not happening</p> <p>(20) Expressed anger to the person(s) who caused the problem</p> <p>(24) I pretended that nothing had changed and didn't fulfil the new expectation</p> <p>(26) I took out my anger on others</p> <p>(32) I wasn't happy with the change and was considering a job change</p> <p>(35) I wasn't really aware that there was change at all</p> <p>(36) I gave the task to my subordinate</p> |
| 6 Uncertainty | <p>(7) I was worried about not being able to cope</p> |

(19) I wished that I could change things back to how it used to be
(27) I couldn't understand the change at times
(31) I tended to simply follow what the new directors wanted
(39) I was stressed to the point I didn't know I was doing

Table 8. 5 Coping with Organisational Change Scale Comparison table

These final version of the scale was then translated into Indonesian. Translation process went through two different stages. First draft of the translation was checked by an Indonesian student whom at the time of the study was pursuing a master degree in Islamic Finance in Malaysia. Several items were modified after the first stage. At the second stage of translation, items were checked by a volunteer who speaks both English and Indonesian from within the SOE itself. This was carried out to ensure that translated items would still convey its intended purpose even after translation.

Translated version was distributed for a final piloting process. 112 number of people participated in this final pilot. For this final pilot, it was made sure that all of the participants were Indonesian and worked in similar companies in the industry. 21 of the participants were male, 57 of the participants were female, while the rest did not specify their gender. Translation version of the scale achieved reasonable results with Cronbach's Alpha of 0.85 for its validity score.

Chapter 9: The Relationships between Personality,

EI and Coping with Change

Data acquired in this research were analysed through the statistical software SPSS. Before the main analysis was conducted, preliminary analyses were conducted to ensure the exemption of any potential errors of statistical assumptions, i.e. outliers, linearity, and homogeneity of variance. IPIP that consists of five personality traits (agreeableness, extraversion, conscientiousness, openness, and neuroticism) and WEIS (emotional intelligence) served as independent variables. COCS (coping behaviour), on the other hand, was the dependent variable of this study. On another note, the age, gender, and job position (rank) of respondents serves as moderators to this study.

Key descriptive data including means, standard deviations and Intercorrelations amongst the three variables are presented in table 9.1. After preliminary analyses, outliers were excluded from the final dataset. The final sample size went down from $N = 125$ to $N = 111$. Cronbach's alphas for measurements used during the study was tested to examine the scales' internal consistency and reliability. The chronbach's alphas for the three scale 0.74 for IPIP, 0.77 for WEIS and 0.97 for COCS. The skewness and kurtosis coefficients for all the variables were well within the range of -2 and 2 cut-offs suggested by George and Mallery (2010).

9.1 Correlation

Bivariate analysis was carried out to determine whether there was a correlation between the independent variables (extraversion, agreeableness, conscientiousness, neuroticism, openness, and emotional intelligence), dependent variables (resistance, problem solving, self-blaming, avoidance, information seeking), and proposed moderators (age, rank, gender). It was found that problem solving was correlated with extraversion ($r = 0.17, p < 0.05$), emotional intelligence ($r = 0.22, p < 0.05$), and rank ($r = 0.18, p < 0.05$). Self-blame was found to be correlated with agreeableness ($r = -0.18, p < 0.05$).

Apart from problem solving and self-blame, the other predictor variables did not correlate to any of the coping behaviours. Based on this result, hypothesis 1b and 1c were supported – where agreeableness and extraversion were hypothesised as significantly correlated with coping behaviour, while hypothesis 1a, 1d, and 1e were rejected. Hypothesis 2 was also supported based on the results found in this study, where emotional intelligence was found to be significantly correlated with coping behaviour. The Rank moderator correlated with coping behaviour, hinting that there was a possibility that rank would moderate the relationships between personality and coping behaviours. That being said, hypothesis 3a and 3b were not supported.

9.2 Hierarchical Regression

Hierarchical regression was carried out to find the strongest predictors of coping behaviour, as well as test for possible moderation effects of age, rank and

gender. Based on the findings from the correlation analysis conducted in section 9.1, extraversion and emotional intelligence served as the independent variables for this analysis. From the coping behaviours, problem solving was chosen to be the dependent variable in the regression model. Because rank had the only significant correlation in the previous analysis, it was selected as a moderator for testing.

Variable	α	M	SD	Skew	Kurt.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Age		41.17	9.29	-0.15	-1.31	1														
Gender		0.21	0.41	1.47	0.15	-0.16*	1													
Rank		0.84	1.16	1.16	-0.02	0.70**	-0.04	1												
Extraversion		33.81	4.30	-0.17	-0.05	-0.03	-0.00	-0.01	1											
Agreeableness		37.67	4.10	0.69	0.25	-0.13	-0.01	-0.06	0.46**	1										
Conscientiousness	0.74	40.90	4.21	0.22	-0.25	-0.07	-0.04	-0.14	0.45**	0.57**	1									
Neuroticism		34.38	4.56	-0.10	0.87	-0.05	-0.04	-0.28	0.32**	0.15	0.20*	1								
Openness		36.16	4.10	0.26	0.03	0.12	-0.10	0.04	0.42**	0.48**	0.49**	0.25**	1							
Emotional Intelligence	0.77	26.83	3.53	-0.37	-0.03	0.09	-0.11	0.00	0.23**	0.11	0.01	-0.05	0.15	1						
Resistance		20.57	2.38	2.38	1.31	0.05	0.01	0.08	-0.07	-0.03	-0.01	0.04	-0.14	0.09	1					
Problem Solving		11.80	1.63	-0.62	1.01	0.10	-0.09	0.18*	0.17*	0.06	0.09	-0.07	-0.04	0.22*	-0.09	1				
Self Blame	0.97	11.33	2.18	0.23	0.15	0.09	-0.10	0.07	-0.06	-0.18*	-0.05	-0.05	-0.09	-0.06	0.41**	-0.14	1			
Avoidance		11.45	1.88	0.23	0.19	-0.02	0.12	-0.04	0.08	0.06	0.04	0.12	0.03	0.12	0.45**	-0.19*	0.31**	1		
Information Seeking		10.91	1.59	-0.24	-0.42	0.01	0.09	0.08	0.1	0.05	0.09	-0.01	-0.09	0.14	0.05	0.43**	-0.11	-0.10	1	

Table 9. 1 Correlations between variables. IVs: Agreeableness, Conscientiousness, Neuroticims, Openness, Emotional Intelligence. DVs: Resistance, Problem Solving, Self Blame, Avoidance, Information Seeking

The variables of the study were inputted in the regression model in four steps. The first two steps included the independent variables (extraversion in step 1 and emotional intelligence in step 2). The moderator was inputted next in step 3. Finally in step 4 the interactions between the IVs and the moderator (extraversion x rank and emotional intelligence x rank) were inputted.

Variables	Coping with Organisational Change					
	n = 111					
	B	β	ΔR^2	R ²	ΔF	Sig.
Step 1			0.02	0.03	3.39	
Extraversion	0.07	0.17				0.07
Step 2			0.06	0.05	3.94	0.03
Emotional Intelligence	0.09	0.19				0.05
Step 3			0.10	0.07	4.08	0.01
Rank	0.26	0.19				0.05
Step 4			0.06	0.10	0.22	0.04
Extraversion x Rank	-0.01	0.03				0.69
Emotional Intelligence x Rank	-0.02	0.04				0.71

Table 9. 2 Hierarchical Regression results

The results of the regression revealed that extraversion accounted only for 3% of the variance ($R^2 = 0.03$) in problem solving behaviour and was not significant ($\beta = 0.17, p > 0.05$). However Emotional Intelligence was a significant predictor of problem solving behaviour ($\beta = 0.19, p > 0.05$) accounting for 5% of the variance in the dependent variable. The moderator, rank, was also a significant predictor of problem solving behaviour and accounted for 7% of the variance in the dv. Whilst the overall

model of the interaction terms was significant ($F= 2.40, p < 0.05$), the individual interaction terms were not. As such, rank did not moderate the relationships between extraversion and problem solving behaviour ($\beta = 0.03; p > 0.05$), nor between EI and problem solving behaviour ($\beta = 0.04, p > 0.05$). Thus hypotheses 3c was not supported.

9.3 Regression

Simple regression analysis was carried out to identify predicting nature of agreeableness on self-blame coping behaviour. Based on the correlation results found in section 9.1, agreeableness was selected as the independent variable for this analysis. From the coping behaviours, self-blame was chosen to be the dependent variable of the analysis. The results showed that self-blame had explained only 3% of the variance ($R^2 = 0.03$) and was not a significant predictor of self-blame coping behaviour ($\beta = -0.18, p > 0.05$). In conclusion, the results indicated that even though there was correlation found between agreeableness and self-blame behaviour, there was no evidence that the independent variable would be able to predict self-blame behaviour.

Chapter 10: Discussion, Implications, and Limitation of the study

10.1 Discussion

This research, although largely exploratory in nature, produced several theoretical contributions to the field of organisational change. Based on the findings of the research, five main coping behaviours in organisational change were identified: resistance, problem solving, self-blame, avoidance, and obtaining information. In developing a coping scale that was appropriate for use in an organisation undergoing organisational change, the research adds on to the growing body of research on coping with change. Moreover, the scale highlighted the relevance of context in understanding the experience of coping with organisational change. The research also highlighted the possible effects of individual attributes such as personality and emotional intelligence as well as that of organisational factors (rank) on coping with change. This chapter aims to discuss the results found in chapter 9 and to explore theoretical and conceptual contributions of the findings.

10.1.1 Coping with Change in an Indonesian State Owned Enterprise

This research highlighted the relevance of having an appropriate scale for coping with organisational change. Coping is a context specific behaviour (Pettingrew, Woodman, & Cameron, 2001) and different researchers have different approaches

towards coping (Chan,1977; Moos & Billings, 1982; Lazarus, 1993, Callan et al, 1994; Worden & Sobel, 1978; Menaghan, 1982). Having a scale that is organisational change specific will allow future research to explore and study coping on an individual level and with organisational change specific items. Existing coping scales are deemed as very generic (Buono and Bowditch, 1989; Callan, Schweitzer, & Terry, 1994) in which they generalise the context of coping as stressful events (Lazarus & Folkman, 1984; Eriksen, Olff, & Ursin, 2000; Callan, Schweitzer, & Terry, 1994).

While the scale is still similar to Lazarus and Folkman's (1984) idea of coping, it specifically targets behaviour in an organisational setting and it is seen as a better fit scale to use in such context. According to the theory of optimum matching by Cutrona and Russell (1990), different events or phenomenon would require different kind of behaviour. They also stressed the importance of matching stressful events that individuals are facing with specific forms of coping behaviour to maximise the benefits of coping itself. The creation of a Coping with Organisational Change Scale was in accordance with Cutrona and Russell's (1990) theory of optimum matching where the scale was created by using identified coping behaviour patterns from the participants themselves. This notion is also supported by Somerfield and McCray (2000) who highlighted that instead of seeking universal ways of dealing with stress, the study should actually identify relevant individualised strategies.

Thus, this research added to the field of coping where it produced a coping scale that is specifically made for organisational change context in Indonesian state owned enterprises. Experience of Indonesian state owned enterprise is unique. Although it is expected for management change to occur at least every 5 years (McLeod,

2005; Langit, 2002), there is still negative reaction to change. As identified in this study, employees of the state owned enterprise went through coping cycle (Carnall, 1990) just like any individual who had to cope with stressful events. It can be concluded that even when change is expected, it will still bring stress and will still affect individual's behaviour.

10.1.2 Personality and Problem Solving Behaviours

Based on the results shown in chapter 9, it was found that extraversion, emotional intelligence, and rank are significantly correlated with problem solving coping behaviour. Agreeableness, on the other hand, is significantly correlated with self-blame coping behaviour. Other personality traits were not, however, significantly related to any of organisational change coping strategies. This showed that personality traits and emotional intelligence do play a role in individuals' coping behaviours during organisational change.

Extraverted employees are likely to be more vocal and active in looking for intellectual solutions to problems faced (McCrae & Costa, 1987). This study showed that there was a relationship between being extraverted and the likelihood of employees to engage in problem solving behaviour. Problem solving behaviour consists of strategies such as *determining key priorities, referring to previous experiences, and focusing on solving the problem*. Many respondents from the interview stage mentioned that they tried to adopt or encourage others to apply these strategies to cope with the change.

These strategies are in line with the characteristics of extraverted individuals that have the tendency to engage in intellectual discussion and process (Huitt, 1992; Vakola et al., 2004; McCrae & Costa, 1991). In the process of problem solving, extraverted individuals have the tendency to go through their ideas to confirm their effectiveness and actively look for feedback from people around them (Huitt, 1992). Some items in relation to problem solving behaviour in the COCS scale could be classified as brainstorming. Brainstorming is a prominent characteristic of highly extraverted individuals during problem solving process (Huitt, 1992). The process of brainstorming is described as a process in which as many as possible ideas are being produced, regardless of their effectiveness (Brookfield, 1987). Extraverted individuals exhibit this problem solving behaviour by trying to validate their ideas and actively seeking advice. The less extroverted the employees are; the more time they will take before engaging in problem solving behaviour. They prefer to carefully think their decision over and are more concerned about how much understanding they have over their ideas (Huitt, 1992).

Previous researches have also found similar results for extraversion and coping. Kardum and Krapic (2001) claimed that extraverted individuals are linked to certain coping styles, such as problem-focused coping, and their study in 1996 also found that extraverted individuals also adopted emotional-focused coping. This study has produced similar results with problem solving behaviours, which were similar to problem-focused coping, but did not show any relation between extraversion and self-blaming which could be classified as an emotion-focused coping behaviour (Kardum & Krapic, 2001; McCrae & Costa, 1991; Vakola et al 2004). That being said, constant

efforts to validate problem solving ideas would also mean that extraverted employees spent substantial amount of time socialising with their peers or supervisors.

That being said, extraversion was determined to be non-predictor of problem solving behaviour. The most likely reason behind this is the fact that extroverted employees will not always go along with organisational change. When change is deemed as negative, unjust, or hostile, extraverted employees are more likely to resist change (Chawla & Kelloway, 2004; Bareil et al, 2007; Smollen, Sayers, & Mathney, 2010). During the interview stage of the study, several respondents had expressed their concerns over the company's negative change. They showed disagreements on management practices that they perceived as unjust and demotivating towards them or their colleagues. As previously mentioned in chapters 6 and 7, one of the respondents pointed out that forceful leading style of the new main-director had created an uncondusive and demotivating environment at work. It was perceived as unjust and unfavourable. This situation explained why extraversion, though significantly correlated, was not a strong predictor of problem solving behaviour.

Within the COCS itself, it was discovered that those who engaged in problem solving behaviour were more likely to engage in information seeking behaviour as well. The study, however, showed that although information seeking was considered a characteristic of an extroverted individual, there was no significant correlation found between information seeking behaviour and extraversion. Assuming that most participants agreed that some of the organisational changes were negative, this explained the non-correlation between these variables.

10.1.2.2 Problem Solving and Emotional Intelligence

This research showed that emotional intelligence was positively related to problem solving behaviour. This finding lent support to previous studies (i.e. Jordan, Ashkanasy & Hartel, 2002; Saklofske, et al., 2008; Noorbaksh, Besharat, & Zarei, 2010) that highlighted the role of EI in coping with stressors. Jordan, Ashkanasy, and Hartel's study (2002) argued that EI allows employees to gain a better understanding of complex relationships which would then lead them to avoid engaging in negative coping behaviours. Individuals with high levels of EI are more likely to be aware of their own moods and emotions, thus they are more likely to emotionally recognise the need for change. This allows them to work through conflicts, adjust efficiently, generate solutions to problems, or even adopt new necessary skills (Vakola, Tsaousis & Nikalaou, 2004).

Previous researches linked emotional intelligence with having better ability to solve problems (Gardner & Stough, 2002; Schwartz, 1990). Individuals with high levels of emotional intelligence would be more likely to be able to identify opportunities and tackle problems (George, 2000). Emotionally intelligent individuals are more likely to use their emotional knowledge and emotion regulation abilities to address issues that arise from organisational change (Gardner & Stough, 2002). Problem solving is often associated with the second level skill of emotional intelligence (Salovey & Grewal, 2005), which involves one's ability to absorb one's emotional experience into mental life. Being able to regulate their own emotions will allow employees to experience more positive feelings that encourage creative thinking that will help them to solve problems (Frederickson, 1998). As such by having high levels of EI, the respondents of this

research were able to utilise more proactive coping skills in dealing with the change event.

The correlation between emotional intelligence and problem solving might also be ascertained by the role of certain emotions in solving problems (Mayer et al, 2004). Being able to recognise and having the basic knowledge of the emotions that they experienced would allow employees to plan appropriate actions to work around those emotions and eventually would help them in coping with organisational change.

From interview stage, some of the respondents had pointed out the importance of being patient, accepting the change, and trying to understand the reason behind every change incentive. These characteristics are in line with the concept of emotional intelligence (Vakola, Tsaousis & Nikalaou, 2004; Mayer & Salovey, 1997).

Although significantly correlated, emotional intelligence did not significantly predict problem solving behaviours. This could be partly due to the small nature of the sample and also the indirect nature of EI's role in problem solving. The relationship between emotional intelligence and problem solving behaviour is significantly related to the second level skill of the intelligence (Mayer et al, 2000). It could be hypothesised that the effects of EI on the use of problem solving behaviours could be dependent on the nature of the change itself. Similar to extroversion, if the organisational change was unfavourable or created a sense of apprehension, emotionally intelligent individuals might seek to resist change instead of adopting it.

10.1.1.3 Problem Solving and Employee's Rank

Rank in the company where this study was conducted could be used as an indication of how long an employee had been in the company and was perceived as a better indicator of employees' experiences with the company (Baltes & Schaie, 1976; Tushman & Romanelli, 1985). It was shown that rank is significantly correlated to problem solving strategies of coping behaviour. The results showed that higher ranked employees were more likely to accept change and go with the flow. This is in contrast with Tushman and Romanelli's (1985) claim that those with executive positions had less potential in initiating and implementing strategic change. However, it is important to take into account the system in which the company is currently under.

As discussed in chapter 4 and 6, most SOEs in Indonesia have to go through periodical management change. This happens once every five years (which is referred to as a single period), and involves a rotation of persons in charge of each department. Board directors are selected by the Minister of SOE, who is essentially appointed by the government (Langit, 2002). The board directors tend to change every five years, depending on the minister in charge. Often, the directors are being replaced or swapped around between companies even before their term in the companies ends. Broadly, SOEs employees are forced to accept the change and are in fact expecting this change to happen every after presidential election – since Ministry of SOE will usually change after the election (McLeod, 2005). This explains the results of the study, where more experienced employees were more likely to accept the change.

One concept of tenure's relationship with organisational change was actually proven to be true in this study. Higher ranked employees were more likely to follow in-

place system closely. Rank and years of employment are closely related in SOEs. Higher ranked employees would have more experience with the system and more likely to have developed an understanding of the system where board of directors had to be changed every five years. This goes in line with several studies mentioned in chapter 3, where these employees would be more committed to current procedures and systems compared to lower ranked employees (Katz, 1982; Venderberg & Self, 1993; Beck & Wilson, 2000). In this case, the system that higher ranked employees were committed to would be the constant change in board of directors itself.

Some respondents from the interview had pointed out that management change was something that most of them expected. Older respondents noted that they had to accept the change and always tried to find a way to adapt and survive until the next management change came into the picture. Their answers in this regard showed how they preferred to closely follow the system and that they had accepted the fact that this would always be the norm. These older respondents also mentioned that some of their subordinates felt uncertain during management change, possibly because they were not used to the constant change. Subordinates in this company context would normally be those who were younger and of lower rank positions – thus less experienced with the company.

10.1.2 Self Blaming Behaviour

Agreeableness and self-blaming were found to be correlated based on the results found in chapter 9. Many of the self-blaming items are directed towards

respondents' disappointment at themselves for failing to cope with organisational change. This result would be expected considering the nature of individuals with levels of agreeableness. Highly agreeable individuals very often feel responsible for their colleagues in coping with organisational change (Smollen, Sayers, & Mathney, 2010). These individuals are also more likely to be less anxious and less depressed than those with low levels of agreeableness (Lodi-Smith & Roberts, 2007).

The nature of self-blame behaviour is perceived to be the opposite of self-forgiveness. Agreeableness was found to be a strong predictor of forgiveness towards others, not on self-forgiveness (Ross et al, 2004), but was found to be significantly correlated with self-forgiveness (Tangney et al, 2005). In the theory of self-forgiveness, agreeable individuals tend to accept responsibility and try to compensate after making mistakes (Sandage, Worthington, Hight, & Berry, 2000). This increases the likelihood of them taking all the responsibility (i.e. blaming themselves) when they perceive that they have not satisfactorily coped or behaved appropriately during organisational change.

Similar to extraversion and emotional intelligence, when employees with high levels of agreeableness believe that the organisational change is negative, they will be more likely to resist the change (Smollen, Sayers, & Mathney, 2010). Based on the interviews during stage 2 of the study, many respondents revealed that they felt uncomfortable with the latest change in management. A few respondents mentioned that from their previous personal experiences where they felt that the change that occurred was not properly timed and was too stressful. But what made it more stressful

was they also had to manage the experiences of their own subordinates. Whilst the change was expected, it was nonetheless disruptive of the way things were.

10.1.3 Moderating Effects of Rank in Extraversion's and Emotional Intelligence's relationship with Problem Solving Behaviour

Based on the findings in the previous chapters, whilst rank had a direct impact on problem solving behaviours, it did not moderate the relationships between extraversion, EI and problem solving behaviours. Previous studies (i.e. Gregersen, 1993; Judge, 1994; Sturges et al., 2005) highlighted the importance of rank or tenure in the experience of an employee at work. As workers get socialised in the organisation they are more likely to develop kinship ties and psychological contracts with their co-workers and the organisation itself. Thus it is expected that those who have been with the organisation longer are more likely to have stronger ties to the organisation per se (Sturges, et. al, 2005; Terry et al., 2012). Newcomers are not expected to have strong ties with the organisation compared to those who have been with the organisation for a long time (Terry et al., 2012).

According to Huitt (1992) extroverted individuals actively brainstorm and try to find the best solution to their problem, thus having a higher rank in the company would give them a good advantage. They would have more experiences and also greater access to information that could enhance their brainstorming process, thus giving them better ideas in solving problems (Huitt, 1992; Brookfield, 1987). The same effect could be surmised for emotionally intelligent individuals with higher ranks. The experiences that they had gained through their employment would help them in

identifying the kind of emotions that they were feeling during organisational change (Venderberg & Self, 1993; Beck and Wilson, 2000). Faster identification of emotions would allow more room for the emotion weighing out process that would help them improve their problem solving process greatly (Gardner & Stough, 2002; Schwartz, 1990; Tushman & Romanelli, 1985). Contrary to these previous findings however, the study did not find any significant moderating effects for rank on both extraversion and problem solving behaviours as well as between EI and problem solving behaviours.

10.1.4 Cultural Explanations to Coping Behaviour in Indonesian State Owned Enterprise

The lack of significant findings could be explained by the notion that Indonesian organisational culture is heavily influenced by the nation's *Bapakism* leadership style (Oktaviani et al, 2015; Irwanto, 2011; Rademakers, 1998). *Bapakism* is derived from Javanese societies' patronage structure (Geertz, 1961) and produces a hierarchical system that mimicked traditional Javanese societies (Goodfellow, 1997). It is displayed by strong respect for a father figure "beyond family boundaries" (Irwanto, 2011, p. 356). The leadership style puts emphasise on the power that a father has over his children and the expectation of them to conform to his every demand (Irwanto, 2011). *Bapakism* leadership style is a combination of authoritarian and paternalistic leadership where it often contradicts Indonesian national principles of *Pancasila* – in which the principles emphasise "unifying, just, humane and dialogical or democratic leadership" (Okataviani et al, 2015, p. 4).

This had created a serious tension in Indonesian organisational culture, especially when there is often scepticism over legitimacy over one's leadership (Irwanto, 2009) due to the historical pattern of leaders being appointed through connections with the government (Cederroth, in Irawanto, 2009). Followers of leaders in this cultural context are expected to display desirable behaviours, such as being humble and polite towards those of a higher rank, show little or no arrogance, and behave as a guide to those of a lower rank (Geertz, 1960). Despite democratic values of Pancasila and modernisation of the country, individual assertiveness is seen as a disrespectful behaviour in Indonesian culture (Irwanto, 2011). This adds more emphasis on the authoritarian nature of Bapakism (Irwanto, 2011; Oktaviani et al 2015, Cheng et al, 2004).

In such culture, it is presumed to be difficult for individuals to fully express their thoughts and opinions (Oktaviani et al, 2015), during organisational change. This was manifested during stage 2 of the study where many of the respondents chose to pause the voice recorder when they were about to talk about sensitive topics that might jeopardise their job security. That being said, these managers and employees still managed to show individually tailored coping initiatives to adjust to the organisational change as evidence that the employees experienced the change differently.

10.2 Implications and Limitations of the Study

The study has opened a lot of opportunities to explore coping strategies in organisational change context. Future researches should include the identifications of

significant coping behaviour. This study has discovered five common coping strategies in organisational change, but more strategies could be identified by exploring different state-owned enterprises and different organisational change contexts. Identification of new strategies would open up more opportunities to strengthen the Coping with Organisational Change Scale developed in this study. Future research should also explore the validity of the scale in other organisational change contexts.

The scale itself can be used as part of organisational strategies, where it allows organisations to observe employees' behaviour during the process and to come up with useful coping resources. Further development of coping with organisational change scale will also open opportunities for companies to use this scale as a behaviour predictor. This will help organisations to select potential employees during recruitment and selection process, and it can also be used for promotions or reallocation of existing employees.

As mentioned in the beginning of this thesis, many organisations concentrate mostly on the organisation level and fail to take into account the individual level of organisational change. This study is another step towards overcoming such mistakes. With more and more researchers studying the roles of individual differences during in organisational changes (Vakola et al, 2004; Connor-Smith and Flachsbart, 2007; Law, Song, and Wong, 2004; Lopes et al., 2006), more studies on their relationships with individual's coping strategies will be ideal.

Although this study has produced some significant contributions, there are limitations nonetheless. Sample size was an obstacle. Due to the year long duration of data collection, almost half of the original participants from stage 1, where their

individual differences were measured, had retired or quit by stage 3, where their coping strategies were surveyed. Future studies will have to identify potential participants that will stay for the entire duration of the studies.

There were also difficulties faced during interview stages including things such as mistrust and uncertainty over the researcher and the nature of the study. A number of respondents seemed to be reluctant, even afraid, to freely expose their opinions in answering the questions asked, making the coping with organisational change scale development difficult to process. This research has failed to take into account the effects of the bureaucratic nature of Indonesian state owned enterprises. Future research will have to develop trusting relationship with potential respondents prior to data collection process to allow more in-depth and honest interview results.

This study was heavily concentrated on organisational change in one state owned enterprise. It will be unrealistic to conclude that it is a good representation of most organisations. Future researches will have to explore this topic in different state owned enterprises and even other types of organisations to develop a more accurate coping with organisational change scale. Validation of different types of organisational change is also crucial to developing a more reliable coping scale. Although there might not be a single set of best coping strategies in organisational context, taking into account other types of organisational change will expand the scope that the COCS will be able to cover.

With the exploratory nature of the study, it not only contributed in identifying common coping behaviours and their relationship with personality traits and emotional intelligence, but has also opened up opportunities to study coping

behaviours longitudinally. Future research may consider developing an intervention or training program that aims to improve employees' coping behaviours. The research shall try to measure employees coping behaviour in the beginning of the study and compare the results with employees coping behaviour at the end of the program.

10.2.1 Literature Review Research Strategy and Reflection

There is a lack of psychological literature that focuses on Indonesian state-owned enterprises' organisational change. Existing literature tends to concentrate on corporate governance (Kamal, 2010; Worang and Holloway, 2007; Kaihatu, 2006; Warganegara et al, 2013), privatisation (Pangestu and Habir, 1989; Yonnedi, 2010; Khajar, 2014; Wiranta, 2011), and corporate social responsibility (Frisko, 2012; Cahyandito, 2012). To create an appropriate context for this study, literature was extracted from politics (Goodfellow, 1997; Liddle, 1985; McLeod, 2005; Sherlock, 2002) and economics journal articles (Hill, 1992; Pasaribu, 2009; Rademakers, 1998) and books (Dick et al, 2002; Firmanzah, 2010).

Information that were related to the history of Indonesian SOE, influence of political situation to SOE practices, and relevant economics and privatisation context were extracted from these literatures. These themes were considered to be relevant to build up contextual literature on SOE's organisational change. Historical literature, for example, allowed this research to understand common visions and missions of Indonesian SOEs (Dick, 1977), where they aim to act as a "consolidation of power" and to promote a more stable political situation (Hill, 1982) and to earn revenue by putting

its companies in a more competitive environment (Dick, 1977; Hill, 1982). As time progressed, the visions and missions have shifted to maximising the wealth of shareholders, which, in this case, is the government (Wakhidi and Sukarno, 2014). Political influences were perceived as important as they still currently have a direct impact to SOE's periodical board of director system (Langit, 2002; McLeod, 2005). Relevant privatisation context, on the other hand, gave background to the huge power that the government actually has over the SOE, the extend of domestic or foreign investors influence (Dick et al., 2002; Nugroho and Wrihatnolo, 2008; Silalahi, 2007), how economic situation had encouraged merger, privatisation (Taufiqurrahman, 2003; McLeod, 2005), and poor organisational culture (Pradiansyah, 1998; Kaihatu, 2006; Pasaribu, 2009).

Indonesia is not the only developing country that is still quite reliant to its SOEs. It became necessary to compare its SOE situations with similar countries. Malaysia and China were chosen as this research comparative study due to the importance of SOEs in China (Ralson et al., 2006; Holz, 2003) and Malaysia's geographical and cultural similarity to Indonesia (Minkov & Hofstede, 2011). Literature on SOEs in China and Malaysia are comparatively more developed than literature on Indonesian SOEs. Organisational culture of China's SOEs were often explored in great details where many researchers explored the 'iron rice-bowl' phenomenon which is a regular metaphor to describe the lifetime employment system (Tan, 2003; Benson and Zhu, 2006) and current employment trends such as conventional employment contract system (Ding and Warner, 2001; Zhu and Campbell, 1996). Similarly to Indonesian SOEs

(Anoraga, 1995), China's SOEs literature shows that the country's SOEs aim to meet production targets set by government agencies (Benson and Zhu, 2006).

Malaysia, on the other hand, went through similar political situation as Indonesia (Nugroho and Wrihatnolo, 2008) where a single party was ruling for decades (Gomez and Jomo, 1999, Gomez, 1990). Both countries face similar issues where ruling governments play huge role in determining the fate of their SOEs (Langit, 2002; McLeod, 2005; Aglionbly, 2002; Gomez and Jomo, 1999; Kasper, 1974; Gomez, 1994). Both countries' SOEs also concentrated on the protection of bumiputra/pribumi (Mahatir, 1981; Gomez, 1994; Lal, 1980; Hill, 1979) with the aim to lessen the racial imbalance in the economy. This protection had created racial and political issues in both of the countries where many had shown discontent towards the government (Hill, 1982; Gomez and Jomo, 2000). Literature in Malaysia SOEs have also provided a discussion on the effects of this situation. It was believed that many politically linked non-Bumiputra capitalists, specifically to Malay politicians, had emerged as the result of this policy (Gomez and Jomo, 2000; Craig, 1988; Jomo and Edwards, 1993).

By comparing Indonesian SOEs with those in Malaysia and China due to the mentioned similarities, this study provides better understanding of the nature of the organisation and the organisational culture of SOEs.

10.4 Conclusion

Many studies on organisational change have mentioned how resistance does not have to be interpreted as a threat (Kotter, 1982; Callan, Schweitzer, and Terry,

1994). Most instances of resistance can potentially show the organisation that their plan is flawed. This understanding is often used as a guideline for organisations to alter factors in their plan to reduce the amount of resistance. However, it is possible that resistance emerges because employees are experiencing difficulties in coping with changes. Moreover, those that do not show any objection towards changes might not necessarily be able to cope. This, in the long run, will eventually result in the failure of the organisational change plan. This was proven in this study where board of directors change is common. It becomes important for Indonesian Ministry of SOEs to select the right board of directors for each SOE, or else, the change will hurt the overall performance of the organisation.

Individual differences specifically extraversion, agreeableness, and emotional intelligence, were proved in this study to have significant correlation with individual's coping behaviour. It becomes important for organisation to identify gaps between employees' extraversion, agreeableness, and emotional intelligence level with the ideal level of those variables to cope with organisational change. Based on the evidence provided in this research, considering how often organisational change occurs, Indonesian SOEs are encouraged to create an appropriate action plan to lessen these gaps, which essentially may improve the success rate of organisational change.

In terms of coping behaviour itself, this research has identified five behaviours that commonly occur during organisational change in Indonesian SOEs - resistance, problem solving, self-blame, avoidance, and obtaining information. The action plan that was mentioned in the previous paragraph may include programmes that can encourage positive behaviour such as problem solving and obtaining

information, and discourage negative coping behaviour such as avoidance and self-blame. The action plan will have a long term effect and will positively help the employees every time a new board of directors is introduced to the SOE.

The results from this study showed that when individuals with high extraversion, high agreeableness, and high emotional intelligence showed reluctance to adopt new organisational change, there was a chance of the organisational change itself being flawed or seen as unfavourable in nature (Smollen, Mathney, and Sayers, 2016; Mayer et al, 2000; Beck and Wilson, 2000). Resistance behaviour, as found in this study, would be a manifestation of employees' reluctance to embrace new changes. This has shed light on the importance of evaluation of the organisational change itself. Organisations should re-evaluate their organisational changes' objectives and procedures by gathering data from those who are directly involved in the process. In this re-evaluation, organisations may be able to identify issues that are perceived as undesirable or flawed during the change process and may be able to increase the change implementation success rate by tackling the identified issues in early stages of change. This has raised the question whether Indonesian SOEs should maintain their periodically based board of directors system. Data of the effectiveness of this constant change will have to be gathered as part of the change process/implementation evaluation. Indonesian SOEs may also review their selection process for the new board of directors to ensure that they have selected the right person for the right SOE.

In conclusion, this study has filled several gaps in organisational change literature where it formulated Indonesian state-owned enterprise literature, identified

common coping behaviours, and pinpointed the role of individual differences in these behaviours.

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Appendixes

Appendix 1: Stage 1 Consent Form



UNITED KINGDOM • CHINA • MALAYSIA

Institute of Work Health and Organisation
The University of Nottingham Malaysia Campus
Jalan Broga, 43500 Semenyih
Selangor Dahrul Ehsan
Malaysia

STAGE ONE: IPIP AND WLEIS

This project is being undertaken as part of Doctor of Philosophy in Psychology research within the Institute of Work, Health & Organisations (I-WHO), which is a postgraduate institute of applied psychology at the University of Nottingham Malaysia Campus.

The purpose of this research is to find out how individual differences will affect one's ability to cope with changes. There are a lot of things that are considered as individual differences and this research will only concentrate on Emotional Intelligence and Personality Traits. Participants of this research will be chosen randomly and on volunteer basis, meaning if the participant has been selected but wishes not to participate, then she or he will be excluded from the research.

Two types of tests will be carried out in this stage, IPIP test to measure personality traits and WLEIS test to measure emotional intelligence. These are written tests where participants can take the tests during their own free time. The participants are only required to return the tests to the researcher once they have completed the questionnaires. It is advisable for participants to give the questionnaires back **two weeks** after they were being given out to them. Participants are advised to put their answers in **sealed envelope(s)** and give it to **(insert name)**. The Researcher will collect the envelopes from her.

To protect participants' identities, an alias name will be used for any written record. Any personal material from your interview that is used in project reports, academic papers and feedback to PT. Perkebunan Nusantara IV will be quoted anonymously and anything that could identify you will be removed.

Thank you for agreeing to take part in this survey.

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PARTICIPANT'S DETAILS

Please provide the following details for documentation purposes. As mentioned above, the details will remain confidential.

Name <i>Nama</i>	_____
Age <i>Umur</i>	_____
Gender <i>Jenis Kelamin</i>	_____
Department <i>Bagian</i>	_____
Job title <i>Jabatan</i>	_____
Date this document is received <i>Tanggal penerimaan dokumen ini</i>	_____
Signature <i>Tanda Tangan</i>	_____

To be filled by researcher

Data Number	_____
Alias Name	_____
Date the document is returned	_____

Appendix 2: Stage 1 Questionnaire

STAGE ONE: IPIP

Describe yourself as you generally are now, not as you wish to be in the future. Describe yourself as you honestly see yourself, in relation to other people you know of the same sex as you are, and roughly your same age. So that you can describe yourself in an honest manner, your responses will be kept in absolute confidence. Indicate for each statement whether it is 1. Very Inaccurate, 2. Moderately Inaccurate, 3. Neither Accurate Nor Inaccurate, 4. Moderately Accurate, or 5. Very Accurate as a description of you.

		Very Inaccurate	Moderately Inaccurate	Neither Accurate Nor Inaccurate	Moderately Accurate	Very Accurate
1.	Am the life of the party.	0	0	0	0	0
2.	Feel little concern for others.	0	0	0	0	0
3.	Am always prepared.	0	0	0	0	0
4.	Get stressed out easily.	0	0	0	0	0
5.	Have a rich vocabulary.	0	0	0	0	0
6.	Don't talk a lot.	0	0	0	0	0
7.	Am interested in people.	0	0	0	0	0
8.	Leave my belongings around.	0	0	0	0	0
9.	Am relaxed most of the time.	0	0	0	0	0
10.	Have difficulty understanding abstract ideas.	0	0	0	0	0
11.	Feel	0	0	0	0	0

	comfortable around people.					
12.	Insult people.	0	0	0	0	0
13.	Pay attention to details.	0	0	0	0	0
14.	Worry about things.	0	0	0	0	0
15.	Have a vivid imagination.	0	0	0	0	0
16.	Keep in the background.	0	0	0	0	0
17.	Sympathize with others' feelings.	0	0	0	0	0
18.	Make a mess of things.	0	0	0	0	0
19.	Seldom feel blue.	0	0	0	0	0
20.	Am not interested in abstract ideas.	0	0	0	0	0
21.	Start conversations.	0	0	0	0	0
22.	Am not interested in other people's problems.	0	0	0	0	0
23.	Get chores done right away.	0	0	0	0	0
24.	Am easily disturbed.	0	0	0	0	0
25.	Have excellent ideas.	0	0	0	0	0
26.	Have little to say.	0	0	0	0	0
27.	Have a soft heart.	0	0	0	0	0
28.	Often forget to put things back in their proper place.	0	0	0	0	0
29.	Get upset	0	0	0	0	0

	easily.					
30.	Do not have a good imagination.	0	0	0	0	0
31.	Talk to a lot of different people at parties.	0	0	0	0	0
32.	Am not really interested in others.	0	0	0	0	0
33.	Like order.	0	0	0	0	0
34.	Change my mood a lot.	0	0	0	0	0
35.	Am quick to understand things.	0	0	0	0	0
36.	Don't like to draw attention to myself.	0	0	0	0	0
37.	Take time out for others.	0	0	0	0	0
38.	Shirk my duties.	0	0	0	0	0
39.	Have frequent mood swings.	0	0	0	0	0
40.	Use difficult words.	0	0	0	0	0
41.	Don't mind being the center of attention.	0	0	0	0	0
42.	Feel others' emotions.	0	0	0	0	0
43.	Follow a schedule.	0	0	0	0	0
44.	Get irritated easily.	0	0	0	0	0
45.	Spend time reflecting on things.	0	0	0	0	0
46.	Am quiet around strangers.	0	0	0	0	0

47.	Make people feel at ease.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
48.	Am exacting in my work.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
49.	Often feel blue.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
50.	Am full of ideas.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

STAGE ONE: WLEIS

A) The following are 20 pairs of abilities. In each pair, please judge which ability is stronger for you. Then circle the alphabet (i.e., either (a) or (b) that represents this ability.

(note: you may be strong or weak on both abilities. However, what you need to judge is the relatively stronger one)

Ability concerning:	Ability concerning:
(a) Comprehend the reasons of being happy or unhappy	(b) learn how to repair a new electric appliance
(a) mental arithmetic	(b) control one's emotions
(a) learn how to sing a new song	(b) concentrate on achieving one's goal
(a) understand others' true feelings by observing their behaviors	(b) tolerate physical pain when compared to others
(a) Comprehend one's changes in emotions	(b) learn how to dance some new steps
(a) run faster than others	(b) calm down faster than others from angry feeling
(a) encourage oneself to work hard in unfavorable situations	(b) learn how to draw or paint
(a) observe details of things	(b) observe others' emotions
(a) having a better ability in sport activities than other people	(b) having a better ability in understanding one's own feeling than other people
(a) use mechanical instruments	(b) control one's temper
(a) Comprehend the rhythm of a song	(b) set objectives and work hard towards them
(a) understand others' emotions from their behaviors and language	(b) having better physical endurance than other people
(a) physically more energetic than others	(b) understand one's emotions better than others
(a) memorize new phone numbers quickly	(b) not losing temper when angry
(a) motivate oneself to face failure positively	(b) learn to create an artistic object (e.g., china, painting)
(a) Comprehend the rationale of complicated problems	(b) understand others' emotions
(a) evaluate one's own bad emotions	(b) evaluate others' singing abilities
(a) keep emotionally calm when facing people or situations that you dislike	(b) memorize strangers' names
(a) encourage oneself to do the best	(b) learn a new sport activities (e.g., soccer)
(a) Comprehend others' emotions quickly and accurately	(b) appreciate the creativity of a movie or a drama

(B) Reactions to Various Situations. For each of the following 20 situations, there are two possible reactions. Please circle the alphabet of the action (i.e., either A or B) that you will have a stronger chance of taking.

1. *When you are very down, you will:*

A. Try to do something to make yourself feel better.

B. Just ignore it because you know your emotion will be back to normal naturally.

2. *When you are upset, you will:*

A. Talk to someone who is close to you about your feeling.

B. Concentrate on some matters (e.g., work, study, or hobby) so that you can get away from your bad feelings.

3. *Your supervisor assigns a task that is not included in your job responsibility and you do not have any interest in doing it. You will:*

A. Persuade yourself that the task is not that bad and perform the task.

B. Tell your boss that you don't like the task and ask him to find some other suitable person to do the task.

4. *Johnny was working in Hotline Department and his job was to handle complaint and answered customer enquiry. However, he did not like his job and so he found another job in a hotel, serving walk-in customers. He again found that he was sick and tired in handling unreasonable customers. If you were Johnny, you will:*

A. Talk to some experienced people in customer service and seek their advice.

B. Try to get more training and education in customer service skills.

5. *Two managers in your company were hostile and very competitive with each other. You were the head of a department. You were caught at the middle of these two managers because both of them wanted to gain control of your department. This made your department difficult to function normally because there was a lot of confusion in rules and regulations for your department. You will:*

A. Pretend that you do not know about the competition between the two managers because politics is always unavoidable. You will let them fight and follow the finalized rules and regulations.

B. Try your best to make the rules and regulations clearer so that your department can function normally.

6. *Suppose you get an important award, you will:*

A. Tell everyone and share your happiness with them.

B. Tell and celebrate only with your family and closest friends.

7. *When you have to do something you don't like, you will:*

A. Try to find some interesting stuff from it.

- B. Try to finish it as soon as possible and forget about it.
8. *Your boy/girl friend is a fan of a particular pop music star. You spend two hours to buy two tickets for this star's concert. You asked him/her to meet you at 7:30p.m. After one hour s/he did not show up. You therefore went to the concert yourself. After the concert, you found your boy/girl friend. Before you said anything, s/he kept on scolding you seriously. You will:*
- A. Let him/her continue. After s/he finished, tell him/her that you have already waited for him/her for one hour.
- B. Stop him/her immediately. Tell him/her that s/he should consider his/her lateness before scolding others.
9. *Today you go to work as usual. After getting off the MTR (Subway), you found out that you lost your wallet. Soon after arriving the office, your boss complained about your work. When you started to work, your computer was broken. It is clear that today is very unlucky for you and you are not happy about it. You will:*
- A. Never mind, try to find another computer to start your work.
- B. Talk to a colleague or friend to release the bad feeling before starting your work.
10. *Your colleague, Peter, is a very smart person and seems to know a lot. He is able to respond effectively and sensitively towards the people who are in high positions. Your boss asked you to work with him in a project. Peter has many flashing ideas but he leaves you to handle all the dirty and donkey tasks. You will:*
- A. Discuss with Peter and insist to share your tasks with him.
- B. Tell your boss about the situation and see if s/he can offer any advice and/or help.
11. *When you face problems regarding your career or study, you will:*
- A. Talk to your friends to seek advice.
- B. Handle the problem yourself because everyone should deal with his/her own life.
12. *You have very little chance to get the offer of a job which you like very much. You will:*
- A. Still apply for this job and try to prepare well for it.
- B. Concentrate your efforts on jobs that you have better chances to get offer.
13. *One day, you represent your company to welcome two important investors from Russia. According to Russian custom, people will kiss each other the first time they meet. However, you feel very uncomfortable to kiss unknown people, especially for those with the same gender as yours. You will:*
- A. Take the initiative to shake hand with them immediately when they appear to avoid the kissing.
- B. Kiss them to show your respect.

14. *One Sunday in summer, you and your boy/girl friend drove to the beach to enjoy the sunshine. On the way you had a minor accident. The door of your car was damaged and it would cost some money to repair it. You will:*

- A. Drive the car to a familiar mechanic and take the bus to the beach.
- B. Go to the beach as planned and fix the car later.

15. *You have an important examination tomorrow and you are studying hard in your room. Your family is watching a television program which you like very much as well. Since your house is small and so the noise of the television annoys you. You will:*

- A. Ask your family to turn off the television but videotape the program so that you and your family can watch it together tomorrow after your examination.
- B. Although a little bit uncomfortable, you put a headphone on (to reduce the noise) so that you can concentrate on your study.

16. *When a friend comes to you because s/he is not happy, you will:*

- A. Share his/her feeling.
- B. Takes him/her to do something s/he likes.

17. *When someone keeps on arguing with you on some unimportant topics, you will:*

- A. Do not respond to him/her and wait for him/her to stop.
- B. Pretend to agree with his/her views and switch the discussion to other topics.

18. *Your friend has a rough relationship with his/her boy/girl friend because your friend has a bad temper. When your friend talks to you about the rough relationship, you will:*

- A. Pretend to agree with him/her that his/her boy/girl friend is not good enough.
- B. Point out that it is your friend's own fault and hope that s/he will improve.

19. *Joyce is the only daughter of her parents. She is very close to her parents and is a very responsible person. Her job performance is excellent and colleagues like her. Recently her mother had a very serious traffic accident and is in coma. Although Joyce worries a lot, she does not take her leave and tries to do her best at work. If you were Joyce's supervisor, you will:*

- A. Let her come to work as usual because she can have her work to distract her worries.
- B. Assign less work to her so that she can go to the hospital in a more flexible way.

20. *One of your subordinates has just come back to work after giving birth to her first baby girl for one month. You know that her baby girl's health condition is not very good. Thus, you found out that in this month she had been making careless mistakes and took sick leave frequently. She had good performance before the baby was born. However,*

you are certainly not satisfied with her performance in this month. You will:

- A. Tell her directly that you did not satisfy with her work and discussed with her how she could improve the situation.
- B. Assign less work to her or transfer her to other position with lighter workload.

Appendix 3: Stage 2 Consent Form



UNITED KINGDOM • CHINA • MALAYSIA

Institute of Work Health and Organisation
The University of Nottingham Malaysia Campus
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Selangor Dahrul Ehsan
Malaysia

STAGE TWO: INTERVIEW

This project is being undertaken as part of Doctor of Philosophy in Psychology research within the Institute of Work, Health & Organisations (I-WHO), which is a postgraduate institute of applied psychology at the University of Nottingham Malaysia Campus.

The purpose of this research is to find out how individual differences will affect one's ability to cope with changes. There are a lot of things that are considered as individual differences and this research will only concentrate on Emotional Intelligence and Personality Traits. Participants of this research will be chosen randomly and on volunteer basis, meaning if the participant has been selected but wishes not to participate, then she or he will be excluded from the research. The purpose of this interview is to be able to get an inside view on this matter, as well as and in-depth understanding of employees' point of view.

The interview will last for approximately one hour at most. It will be recorded on tape, if you are in agreement. The tape is purely to assist the interviewer in remembering what has been said and to save time during the interview. You may switch the tape recorder off at any point during the interview, if you wish. The content of the tape will not be disclosed to anyone beyond the research team and the tapes will be destroyed at the end of the project.

You may terminate the interview at any stage and may withdraw your consent for the use of information gained from the interview.

Any personal material from your interview that is used in project reports, academic papers and feedback to PT. Perkebunan Nusantara IV will be quoted anonymously and anything that could identify you will be removed.

During the interview you will be asked about your own experiences. You do not have to answer any question that you find upsetting and the interviewer will respect your decision. However, the interviewer is not a trained counsellor and if you find that you are upset during the interview or at some later time, you should approach this matter by writing a feedback letter that can be sent to either myself or Mr. Muhammad Abdulghani.

Thank you for agreeing to take part in this interview.

Risky Harisa Haslan B.A (Hons), M.Sc

Candidate of Doctor of Philosophy in Applied Psychology

Title of Research Project

Consent to participate and assurance of confidentiality

I, the undersigned, agree to be interviewed as part of the project “project title”. I have been given an explanation of the study and have been assured that:

I will not have to answer any questions that I find upsetting;

I may withdraw from the interview at any time without having to justify my decision and may withdraw my consent for the use of any information already gained from the interview;

Similarly, I may switch off the tape recorder at any time during the interview;

The content of the tapes will not be disclosed to anyone outside the research team at I-WHO and will not be used for any purpose outside this project. The tapes will be destroyed at the end of the project;

Any material used in project reports, academic papers or feedback to the organisation will be used anonymously and will not identify me in any way.

Signature Date

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Name of interviewee Contact details (optional)

--	--

Organisation

--

Name of interviewer

Contact details

Risky Harisa Haslan	kscx1rha@nottingham.edu.my
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Supervisor/research team

Contact details

Hazel Melanie Ramos	Hazel-Melanie.Ramos@nottingham.edu.my
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Appendix 4: Stage 2 Interview Questions

Q1: How long have you been working in this company?

This question to see if the amount of time they have been spending in the company would have any effect on their ability to cope. This might not be that relevant to the research itself, but it is a good way to build in trust and might be useful during data analysis process.

Q2: What are your thoughts on the recent organizational change?

To understand participant's personal feeling on the changes that occur in the company. This will give the research an insight on people's perception of whether this change is a good thing or is seen as a threat.

Q3: What are the changes that you noticed have happened since the top management rotation?

The tone that is used in answering this question will show a rough idea whether the participant is fond of these changes or whether he or she is against them.

Q4: Can you work with those changes?

A very important question. The answer to this question will be put together with the personality tests that the participants have taken to come out with an analysis on how they cope with the organizational change. Interviewer is to ask more unstructured questions based on their answer. For instance, if the participant shows that he has a hard time coping with these changes; interviewer has to ask whether it's mentally difficult or physically difficult.

Q5: Do you think these changes are for the good of the company or they're actually pulling the company's performance down?

Similar to question 2. This question is actually overlapping question 2, but it is necessary to ask.

Q6: Do you know the objectives/reasons of these changes?

A follow-up question to Q5, to see if participants have any knowledge in why the change occurs. Interviewer has to ask whether they know (if they know) the objectives from the new top management themselves, or they just figured it out on their own.

Q7: Personally, do you wish there was more support or training to help you with these changes?

The answer of this question will be cross-checked with their tests' results. This question is to see if those that scored higher in their EI and personality test think that they do not need an extra support to help them cope with the changes, or either wise.

Q8: On the scale of 0 to 5, with 0 as the worst and 5 as the best, how well do you think you've been coping with these changes?

This question will be used as the performance measurement that is based on the individual's perception on his ability to cope.

Appendix 5: Coping with Organisational Change Scale 40 Items (Pilot)

Research Survey

To whom it may concern,

As part of my PHD research, I'm carrying out this survey to see how people deal with changes and your participation will help me to go forward with this research. The survey will only take ten minutes of your time. Think of the time when your company, school, or any organisation that you are (were) in went through changes - be it changes in the board of directors, new principals, relocations, or merging - and try to remember the steps that you've taken during that time to answer the questions.

I will need some details from you, so please fill the Consent Form and Demographic Details before starting the questionnaire. All responses will be strictly anonymous and confidential. No individual feedback will be given. Your participation is highly appreciated.

Yours truly,

Risky Harisa Haslan
Doctor of Philosophy in Applied Psychology Candidate
Department of Applied Psychology
University of Nottingham Malaysia Campus
kscx1rha@nottingham.edu.my

Consent Form

Please read through these statements and tick appropriately before continuing the survey.

I have read and understood the purpose of this survey.

- Yes
- No

I understand that I'm free to withdraw from the study without giving any reason.

- Yes
- No

I understand that all my data will be stored in accordance with the U.K Data Protection Act 1998 & the Malaysian Personal Data Protection Act 2010.

- Yes
- No

I agree that my data may be used in publications but that all data will be anonymous and that I will not be named.

- Yes
- No

I agree to take part in this study.

- Yes
- No

Date : _____

Signature: _____

Demographic Details

Please fill out the following form.

Age: _____

Gender:

- Male
- Female

Nationality: _____

Type of organisation you are (were) in: _____

E.g. Schools, universities, banks, clubs and societies, companies, etc.

Tenure: _____ (months/years)

The length of time you've been in that organization. Please circle months or years accordingly.

The Survey

Think of the time when your company, school, or any organisation that you are (were) in went through changes. Answer the following questions on the scale of "not at all", "slightly", "somewhat", "moderately", and "very much" based on the frequency of you taking these steps when you were dealing with those changes. Try to be as honest as possible.

1. I thought of ways that I could better manage my time.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

2. I tried to focus on the problem to find a way to solve it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

3. I tried to think of the best possible course of action.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

4. I focused on determining the key priorities.

- Not at all
- Slightly
- Somewhat
- Moderately

- Very much

5. I considered similar problems which I have experienced in the past to find an appropriate solution.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

6. I blamed myself for wasting time.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

7. I was worried about not being able to cope.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

8. I blamed myself for having gotten into the situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

9. I tried to improve my knowledge to keep up with the situation.

- Not at all
- Slightly
- Somewhat

- Moderately
- Very much

10. I decided on a course of action and followed it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

11. I spoke to someone to understand and find out more about the situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

12. I tried to familiarise myself with the current situation before taking any necessary step to deal with it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

13. I thought about the event and learnt from my mistakes.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

14. I tried to analyse the problem in order to understand it better.

- Not at all

- Slightly
- Somewhat
- Moderately
- Very much

15. I told myself that it's really not happening.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

16. I blamed myself for not having a solution.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

17. I list down tasks based on their new priorities.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

18. I came up with a couple of different solutions to the problem.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

19. I wished that I could change things back to how it used to be.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

20. I expressed anger to the person(s) who caused the problem.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

21. I tried to be more organised.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

22. I tried to seek help from my colleagues or supervisor.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

23. I discussed and brainstormed possible solutions with my peers.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

24. I pretended that nothing had changed.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

25. I used trial and error approach to adapt to the current situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

26. I took my angers out on others.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

27. I couldn't understand the change at times.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

28. I focused on staying away from trouble instead of trying to deal with problems in hand.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

29. I made an extra effort to make things work.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

30. I tried to be honest with my supervisor when I find it hard to cope and asked for advice.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

31. I tended to simply follow what my supervisors wanted.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

32. I wasn't happy with the change and was considering to move to a different organisation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

33. I used the situation as an opportunity to show the organisation what I got.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

34. I tried to be more active and involved in managing the situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

35. I wasn't really aware that something had changed until much later.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

36. I gave the task to my subordinate or my colleague.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

37. I made things up as I went through the situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

38. I put things aside when I didn't understand them.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

39. I felt stressed to the point I didn't know what I was doing.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

40. I didn't think anyone would be able to help me deal with it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

Thank you so much for completing this survey. Please return the questionnaire to the researcher or to the person that distributed this questionnaire

Appendix 6: Stage 3 COCS Consent Form



UNITED KINGDOM · CHINA · MALAYSIA

Institute of Work Health and Organisation
The University of Nottingham Malaysia Campus
Jalan Broga, 43500 Semenyih
Selangor Dahrul Ehsan
Malaysia

STAGE THREE: COPING BEHAVIOUR

This project is being undertaken as part of Doctor of Philosophy in Psychology research within the Institute of Work, Health & Organisations (I-WHO), which is a postgraduate institute of applied psychology at the University of Nottingham Malaysia Campus.

The purpose of this research is to find out how individual differences will affect one's ability to cope with changes. There are a lot of things that are considered as individual differences and this research will only concentrate on Emotional Intelligence and Personality Traits. Participants of this research will be chosen randomly and on volunteer basis, meaning if the participant has been selected but wishes not to participate, then she or he will be excluded from the research.

Participants for this stage have to at least taken the IPIP and WEIS questionnaires that were being distributed in Stage 1. This will be the last questionnaire for this research and your corporation is very appreciated. If you didn't participated in Stage 1 but received this document, please inform the researcher directly or through Mr. Muhammad Abdulghani.

It is advisable for participants to give the questionnaires back **two weeks** after they were being given out to them. Participants are advised to put their answers in **sealed envelope(s)** and give it to **(insert name)**. Researcher will collect the envelopes from her/him.

To protect participants' identities, an alias name will be used for any written record. Any personal material from your interview that is used in project reports, academic papers and feedback to PT. Perkebunan Nusantara IV will be quoted anonymously and anything that could identify you will be removed.

Regards,

Risky Harisa Haslan B.A (Hons), M.Sc
Candidate of Doctor of Philosophy in Applied Psychology
kscx1rha@nottingham.edu.my
Supervisor: Hazel Melanie Ramos
Email: Hazel-Melanie.Ramos@nottingham.edu.my

Appendix 7: Stage 3 COCS 18 Items

By keeping in mind the recent management change in the company, answer the following questions on the scale of "not at all", "slightly", "somewhat", "moderately", and "very much" based on the frequency of you taking these steps when you were dealing with the change. Try to be as honest as possible.

1. I tried to focus on the problem to find a way to solve it.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much
2. I tried to think of the best possible course of action.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much
3. I focused on determining the key priorities.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much
4. I considered similar problems which I have experienced in the past to find an appropriate solution.
 - Not at all
 - Slightly
 - Somewhat
- Moderately
- Very much
5. I blamed myself for wasting time.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much
6. I was worried about not being able to cope.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much
7. I blamed myself for having gotten into the situation.
 - Not at all
 - Slightly
 - Somewhat
 - Moderately
 - Very much

8. I spoke to someone to understand and find out more about the situation.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

9. I tried to familiarise myself with the current situation before taking any necessary step to deal with it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

10. I expressed anger to the person(s) who caused the problem.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

11. I tried to seek help from my colleagues or supervisor.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

12. I pretended that nothing had changed.

- Not at all
- Slightly
- Somewhat
- Moderately

- Very much

13. I took my angers out on others.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

14. I couldn't understand the change at times.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

15. I focused on staying away from trouble instead of trying to deal with problems in hand.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

16. I tended to simply follow what my supervisors wanted.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

17. I put things aside when I didn't understand them.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

18. I didn't think anyone would be able to help me deal with it.

- Not at all
- Slightly
- Somewhat
- Moderately
- Very much

Appendix 8: Ethics Approval

Ms Risky Harisa Haslan
Department of Applied Psychology

30th July 2013

Dear Ms Risky,



The University of
Nottingham

UNITED KINGDOM · CHINA · MALAYSIA

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FASS Research Ethics Committee Review

Thank you for submitting your proposal on *The role of personality traits and emotional intelligence in coping organisational change*. This proposal has now been reviewed by the FASS Research Ethics Committee to the extent that it is described in your submission.

I am happy to tell you that the Committee has found no problems with your proposal and able to give approval.

If there are any significant changes or developments in the methods, treatment of data or debriefing of participants, then you are obliged to seek further ethical approval for these changes.

We would remind all researchers of their ethical responsibilities to research participants. If you have any concerns whatsoever during the conduct of your research then you should consult those Codes of Practice relevant to your discipline and contact the FASS Research Ethics Committee.

Independently of the Committee procedures, there are also responsibilities for staff and student safety during projects. Some information can be found in the Safety Office pages of the University web site. Particularly relevant may be:

Section 6 of the *Safety Handbook*, which deal with working away from the University,

<http://www.nottingham.ac.uk/safety/handbook/general-precautions.aspx>

Specific safety guidance on:

Fieldwork <http://www.nottingham.ac.uk/safety/documents/fieldwork-policy.pdf>

Lone working <http://www.nottingham.ac.uk/safety/documents/lone-working.pdf>

Overseas travel/work <http://www.nottingham.ac.uk/safety/documents/overseas-travel.pdf>

Risk management <http://www.nottingham.ac.uk/safety/policies-and-guidance/guides-and-support.aspx>

Responsibility for compliance with the University/National Data Protection Policy and Guidance also lies with the principal investigator or project supervisor.

The FASS Research Ethics Committee approval does not alter, replace or remove those responsibilities, nor does it certify that they have been met.

Sincerely

Angeli Santos

Angeli Santos, PhD

On behalf of the FASS Research Ethics Committee

The University of Nottingham
in Malaysia Sdn Bhd (473520-K)



Appendix 9: Observation Sheets

Observation Sheet 1

No	Context	Positive Reactions	Negative Reactions
1	Discussion in the meeting	N/A	Most managers were not interested when it wasn't related to them personally.
2	Shortcomings were pointed out	N/A	Managers were defensive and discouraged
			Answering with many excuses instead of plans/evidence to refute the problems
3	Director asked the managers to speak up more	N/A	Mostly reluctant and remained quiet
			Someone later said during the break "We would have them to just tell us what to do"
4	Director went through the problem that he had identified from each plantation	One or two managers shared their experiences in solving the problem	Other managers did not seem to pay attention to the information sharing, seemingly busy to find answers to give.
			Some managers looked frustrated because they did not have any solution to the problem
			Some managers showed anger when their plantations became the topic of discussion
5	Director asked Manager Y why it took him so long to solve pest/vermin problem	N/A	Manager Y showed sign of anger and frustration
6	Assistant R was asked to give example on how to eliminate pest/vermin	Assistant R enthusiastically explained his step-by step method	Managers who were present did not seem pleased for some reason.
		Assistant R's manager praised him for trying every possible method to solve their problem	
7	Director asked the managers of their proposed solution	Two managers explained their already implemented solutions and future maintenance plans	The rest of the managers seemed unprepared and did not have any solution to present.
			Some of the managers showed signs of uncertainty

Observation Sheet 2

No	New Production Director	Current Members of Production Department
1	Encouraged managers to speak up and contribute to decision making process	Followers of autocratic leader - tended to wait for directions
2	Generally interactive during discussion	Lack of enthusiasms
3	Paid attention to all topics discussed	Generally only interested in topics that personally related to them
4	Optimistic approach to problems	Pessimistic approach to problems
5	Tended to be fast-paced and very decisive	A lot more laid back and indecisive
6	Encouraged collective brainstorming	Passive approach and wait for directions
7	Very detailed in the field analysis	Lack of knowledge on their own plantation situation (new production director seemed to know more than the managers)
8	Wanted to give opportunities to the managers to make their own decisions	Unfamiliar with making their own decision
9	Collaborative communication style	Had been accustomed to "top-down" communication system
10	Generally showed good work ethics	Only the heads of division and two managers showed good work ethics. The rest didn't seem to feel bothered about not muting their phones or paid good attention to the the meeting from the beginning to the end