Individual Dispositions, Resistance to Change and Organizational Empathy in the Hospitality Industry when Change Means Implementation of a New IS

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Abstract

Using a sample of employees in various hospitality organizations, we proposed that individual disposition such as tolerance for ambiguity, positve affectivity, internal locus of control, and self-efficacy, will influence hospitality employees' resitance to change. The results supported hypotheses. Ultimately, we hope the results of this study provide propoer guidelines with hospitality managers and employees to decrease thiere resistance to change such as new IS implementation and thus increase their willingness to adopt in implementing new IS.

Keywords : Information Systems, Resistance to Change, Tolerance for Ambiguity, Locus of Control, Self-Efficacy, Hospitality Industry, Organizational Empathy

1. Introduction

The hospitality industry is known as a highly customer-centered business and accumulates large amounts of customer data from central reservation systems (CRS), property management system (PMS), point-of-sale (POS), and guest loyalty program databases. IS for such as data-warehousing and data-mining technologies can easily handle large and complex databases and thus assist hoteliers and restaurateurs in predicting future customers' behaviors, designing marketing campaigns, supporting market analysis, evaluating and refining loyalty programs, creating strategies, and conducting trends analysis [Singh and Kasavana, 2005]. However, trend in IS changes quickly and, as a result, the industry needs to catch up this fast change. Whenever new IS is emerged and implemented in the industry, resistance is also emerged from the employees who will use the IS and eventually receive benefits from the IS. Therefore, the success of implementing a new IS may be depending partly on decreasing employee resistance to change and, in order to decrease employee resistance the organization may need to know each individual personality that can influence that resistance.

Despite numerous benefits from the appropriate use of information systems (IS) in the hospitality industry, it has been criticized that the industry is behind of using the new IS techniques or that the implementation of new IS is frequently failed, compared to industries such as retail or manufacturing [Dev and Olsen, 2000]. Given that successful implementing IS brings about many strategic competitive edges to the hospitality industry, it may be critical to investigate factors that could assist success or could hamper failure of the implementation. Amongst several factors, employees' resistance is a major reason the implementation failed [Joshi, 2005]. In an attempt to reduce employee resistance to new IS, research needs more attention to each individual's differences. That is, knowing each individual's "different" willingness to adopt IS can be a key factor for an organization be successful or be failed when implementing new IS.

Previous research has mentioned individual disposition as an influential factor to the resistance [Gardner et al., 1993; Joshi, 1991; Kendall, 1997; Shneiderman, 1997]. However, in those studies, individual characteristics meant system's ease of use or usefulness or the influence of the interaction between users and the systems. Gardner et al. [1993] discussed people-oriented theory, arguing that each individual's reaction to change may be different because of internal characteristics. Yet, since Gardner et al. [1993] discussed individual differences as one of the main reasons to adopt change easily or not, research has been rare to investigate what specific individual personalities can affect the acceptance of the change. The current study addresses this void and proposes the research model that individual differences (e.g., tolerance for ambiguity, positive affectivity, internal locus of control, and self-efficacy) may influence employee resistance to implementing a new IS and change.

2. Employee Resistance to Change

When employees face a new IS, the employees have a tenancy to resist with the new IS,

a situation that resistance theory need to be explained. Gardner et al. [1993] claimed people-oriented theory that each individual's different personalities or characteristics are attributed to such resistance. That is, based on an employee's disposition makes him or her easily or with difficulty accept a new IS. Shneiderman [1997] claimed that employees can struggle to accept the new IS because the new IS is hard to be operated or the design or the system of the IS is difficult to handle, suggesting system-oriented theory. Josi [1991] and Kendall [1997] explained that interaction theory, as a hybrid theory, stresses the attribution of both employees and a new IS to the resistance. Furthermore, the seven most identified reasons of the resistance has listed by Jiang et al. [2000] and they are change in the job content, uncertainty for the future, change in decision-making process, a possibility to loss of status and power, a possibility to change the interpersonal relationship, and insecurity for job. Amongst these three possible theories, this study mainly focuses on the first theory, people-orented theory.

3. Resistance and Individual Disposition

3.1 Tolerance for Ambuguity

Whether or not an employee is tolerant of change can be critical to the organization because it can influence employee's work behavior such that if the employee is intolerant of change, he or she can easily engage in counter prductive work behavior [Mount, Ilies, and Johnson, 2006]. As such, tolerance for ambiguity explains that how much an individual perceives information and endures a new environment with unfamiliar situations [Furnham and Ribchester, 1995]. For example, an intolerant individual can be simply exposed to a stressful situation such as a new IS implementation. Based on the notion of tolerance ambiguity [Norton, 1975; Furnham and Ribchester, 1995], employee resistance can be reduced if he or she is tolerant for ambiguity. Therefore, we predict :

H1 : Tolerance for ambiguity is negatively related to employee resistance.

3.2 Positive Affectivity

As Judge, Thoresen, Pucik, and Welbourne [1999] mentioned positive affectivity (PA) generally relates to the concepts of one's positive view. One's confidence, energy, well-being have been represented characteristics when PA is mentioned. Research has found that a higher PA person is easy to follow a new change and also to deal with coping strategies. Therefore, we predict :

H2 : PA is negatively related to employee resistance.

3.3 Locus of Control

An individual can be adjusted better when the individual believes he or she can control what happens in his or her lives [i.e., Internals, see Judge and Bono, 2001] and the internals can have better work performance and higher job satisfaction [Spector, 1982]. Internals tend to adjust their current situations to the expected or

standard situations suggested by their companies and it has been found that internals have a positive work attitudes toward situations such as changes [Weiss and Sherman, 1973]. Therefore, we predict :

H3 : Locus of control is negatively related to employee resistance.

3.4 Self-Efficacy

A person who is in high self-efficacy has been shown to adjust a new environment better [Ellen, Bearden, and Sharma, 1991]. Self-efficacy can be described as one's beliefs that the person is capable of accomplishing a certain objective [Bandura, 1997]. Many researchers have agreed on a generalized self-efficacy disposition, one's behaviors in any given situation. Self-efficacy has been related to one's attitudes toward novel and unpredictably stressful situations [Schunk, 1983] and to deal with changes in one's job [Stumpf et al., 1987]. Finally, Ash forth and Lee [1990] mentioned that self- efficacy has a positive relation with one's defensive behaviors. Therefore, we predict :

H4 : Self-efficacy is negatively related to employee resistance.

4. Methodology

The unit of analysis was employees of hospitality related companies in Korea. The participating hospitality companies are randomly chosen and those companies were contacted by mails, followed by phone calls to seek their agreement to participate in this study. The total number of the surveys collected for this study was 195 and 173 were usable for the data analysis. The participants of this study were described as 65.2% female and approximately half of them were in their thirties (56.6%).

We used Oreg's resistance to change instrument to measure individual's resistance change [2003]. Internal locus of control was measured by Levenson's [1973] scale and tolerance for ambiguity was measured by Lorsch and Morse' scale [1974]. Self-efficacy was measured by Sherer et al.'s sacle [1982] and finally positive affectivity was measured by Watson, Clark, and Tellegan's scale [1988]. All items were measured on a 5-point Likert scale (1 : strongly disagree to 5 : strongly agree).

5. Results

To examine the internal consistency of the subscales, Cronbach's α was used. <Table 1> showed alpha coefficients over .7.2, indicating that the reliabilities of the scales were acceptable [Hair et al., 1998]. To conduct the evidence for the validity for the measures, exploratory factor analysis (EFA) was used and the results of EFA indicated and demonstrated measures' validity.

<Table 1> also showed the means, standard deviations, and correlations among the variables. Employee resistance was negatively correlated to all antecedents, tolerance for ambiguity, PA, locus of control, and self-efficacy.

Multiple regressions analyses were used to test hypotheses 1, 2, 3, and 4. Hypothesis 1, tol-

erance for ambiguity is negatively related to employee resistance, was supported, showing the result of $\beta = -.402$ at a significant level ($p < .001$). The result indicates that employees whose tolerance for ambiguity is high may not have less resistance when a change is coming. Hypothesis 2, PA is negatively related to employee resistance, was also supported, showing the result of $\beta = -.597$ at a significant level ($p < .001$). This result means that the level of resistance may be lower if an employee shows strong positive affectivity. Hypothesis 3, locus of control is negatively related to employee resistance, was also supported ($\beta = -.508$, $p < .001$). Internals who are high in locus of control may be lower in resistance. Hypothesis 4, self-efficacy is negatively related to employee resistance, was supported with the result of $\beta = -.466$ ($p < .001$). The result indicates that when an employee is higher in her or his self-efficacy, she or he may be more easily accepting resistance.

6. Discussion and Conclusions

Based on the notion that employee resistance in hospitality companies can be one of the major problems that any hospitality companies need to overcome, this study was mainly focusing on the relationship between individual dispositions and resistance. As all of our research hypotheses were accepted, the results of this study support previous research findings and reveal interesting findings. First, all antecedents (e.g., tolerance for ambiguity, PA, locus of control, and self-efficacy) indicated negative relationships with employee resistance. That is, employees in hospitality companies who were tolerant for ambiguity are more likely accepting changes for the future. Also, employees who showed positive affectivity are more likely accepting changes. Internals and employees with high self-efficacy are also easier to accept changes in their companies. All of these results mean that individual dispositions are an important factor to be a success of a new IS implementation. However, looking at closely this changing situation (i.e., a new IS implementation), we may add one more positive advice on the organization that is about to implement a new IS. The organization can be empathic to its employees who could resist a new change. In a broad view, empathic behavior denotes an understanding behavior of another person's feelings and sharing [de Vignemont and Singer,

〈Table 1〉 Mean, SDs, Cronbach's α, and correlations

	Means	SDs	1	2	3	4	Cronbach's α
1. TA	4.08	1.97					.87
2. PA	4.00	1.87	.44*		.		.78
3. LC	3.98	1.08	.57	.24*			.93
4. SE	4.21	2.01	.68**	.28	.53**		.91
5. RC	4.34	1.05	-.23**	-.55**	-.49*	-.33**	.88

Note : TA = Tolerance for Ambiguity; PA = Positive Affectivity' LC = Locus of Control; SE = Self-Efficacy;
RC = Resistance to Change.
*p < .05; **p < .01.

2006]. In other words, the organization in advance needs to know that its employees normally do not like a change and easily show resistance to change. Then, if the organization shows its empathy first, the employees may be felt understood better its organization's action of changing.

In conclusion, organization should realize that individual dispositions are of importance when it comes to change. Therefore, management can possibly create different paths for employees who could show different reactions on the change. In addition, it would be much better if the organization create the culture of empathy before it implements change.

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