

# How Change Valence Impacts Readiness to Change In Teaching Hospital

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**Abstract:** Change is an essential aspect for the organization to enable employees to learn new skills and explore new opportunities, which ultimately benefit the organization. One crucial element in change management is the readiness of the organization to change or the readiness to change. This study aims to determine the effect and the dimensions of change valence, which have the most substantial influence on readiness to change. This study was conducted at one private hospital that planned to change the type of its hospital into a teaching hospital. This study was classified as an observational analytic with a cross-sectional research design. The study samples were chosen randomly utilizing a proportional random sampling technique. Retrieval of research related data employed a questionnaire that had been tested for its validity and reliability. The results indicated that change valence influenced the readiness to change based on statistical tests using simple linear regression ( $R = 0.726$  and  $R^2 = 0.527$ ). The strongest dimension that influenced the readiness to change was Perceived Appropriateness ( $R = 0.529$  and  $R^2 = 0.280$ ). The higher the change valence, the higher the level of organizational readiness to change. A critical dimension of change valence was the Perceived Appropriateness dimension. Therefore, if the organization plans to increase its readiness to change, the management should consider the perceived appropriateness dimension more than any other aspects.

**Keywords:** anticipated benefits, change valence, readiness to change

## 1. Introduction

Readiness to change is a general belief, intention, and attitude of organizational members regarding the need to change and the organization's capacity for achieving successful change [1,2]. Readiness to change is influenced by an individual's tendency to approve organizational change [3]. There are two dimensions of organizational readiness, including change commitment or commitment to change and change efficacy or trust in the capability to change [2].

Change commitment is a shared belief of individuals in the organization to make changes because there is an awareness that the changes made benefit both the individuals and the organization. Meanwhile, change efficacy is a shared belief of individuals in the organization that individuals in the organization are capable of making changes collectively. It can occur because individuals in organizations have identified gaps between organizational conditions and expected conditions. Change commitment and change efficacy are interrelated and influenced by change valence, informational assessment, and possible contextual factors.

Change valence is a set of assessments from the organization members regarding the benefits of change for the organization. Organization members assess a planned organizational change because they believe that the change is required. Informational assessment refers to the extent to which the organization members are capable of identifying the gaps between current organization conditions and expected conditions when the changes are implemented in three dimensions. Possible contextual factors for organization readiness to change has several contextual factors such as organizational

culture, policies and procedures, experience, the readiness of organizational resources, and organizational structure.

Thus the organization members are capable of initiating the implementation changes, showing a cooperative attitude in every implementation change effort, and are persistent in implementing changes. However, those three aspects alone are not sufficient without implementing effective changes. This study aims to determine the effect and the dimensions of change valence, which have the strongest influence on readiness to change.

## 2. Materials and methods

### 2.1 Research design, population, samples, and variables

This study aims to determine the effect and the dimensions of change valence, which have the strongest influence on readiness to change. This study was conducted in one private hospital in Surabaya, employing a cross-sectional manner. This study used a questionnaire that had previously been tested for its validity. The analysis unit of this study was all employees at the hospital. Based on the calculation formula of determining the research sample of 750 population, the minimum samples were 89 people. The questionnaire assessment employed a Likert scale, including strongly agree-strongly disagree. Validity and reliability tests were carried out before the questionnaire was distributed to the subject. The data analysis utilized ANOVA to:

1. analyze the level of change valence in a private hospital, which planned to change its status into a Teaching Hospital;
2. analyze the level of readiness to change in the private hospital, which planned to change its status into a Teaching Hospital; and
3. analyze how change valence affected the readiness to change.

### 2.2 Instruments

This study utilized a questionnaire that had previously been tested for its validity. The subject of this research was all employees at the hospital.

### 2.3 Research procedures and analysis

This study underwent an ethical test and obtained an ethical approval certificate with No. 00021/KEPK-RSI JS/III/2018 by the ethical committee of Jemursari Islamic Hospital Surabaya. This study utilized a questionnaire to collect data. The questionnaire was tested for its validity and reliability before being distributed to the respondents. Based on the validity test results of 36 questions, there were 34 valid questions ( $r > 0.44$ ). Based on the reliability test results, all the 34 valid questions were reliable (Cronbach alpha  $> 0.60$ ). The questionnaire consisted of five parts. First, the researchers explained the research procedures to the respondents, and then they were asked to join the study. Third, respondents were allowed to reject the offer. In the two remaining parts, respondents were asked to provide demographic information and their agreement level with multiple statements related to the main variables in this study, including the change valence and the readiness to change. All answers were given in the form of a 6-points Likert-type scale where 1=strongly disagree, and 6=strongly agree.

## 3. Result

**Table I. Demographical Characteristic of the Respondents (n= 88)**

Variable	Description	Frequency	%
Gender	Male	25	28.41
	Female	63	71.59
Age	Less than 30 years	54	61.36
	From 31 to 40 years	29	32.95
	From 41 to 50 years	4	4.55
	51 years or more	1	1.14

Qualification	Junior High School	1	1.14
	Senior High School	7	7.95
	Diploma	39	44.32
	Bachelor	28	43.18
	Master Degree	3	3.41
Experience	Less than 2 years	9	10.23
	From 2 to 5 years	41	46.59
	From 5 to 10 years	20	22.73
	10 years, or more	18	20.45

#### *Descriptive Statistic*

Table I demonstrates that the number of male respondents was 25, representing 28,41% of the total respondents, while 63 of them were female by 71.59%. In terms of age, the highest percentage of the sample by 61.36% was less than 30 years. Meanwhile, the second-highest by 32.95% was between 31 and 40 years old. Regarding the level of education, the highest proportion of the total study samples by 44.32% were diploma or S3 graduates, and the second-highest by 43.18% were bachelor or S1 graduates. In comparison, the lowest percentage of 1.14% consisted of junior high school graduates. For the last variable on professional experience, the respondents claimed to have between 2 and 5 years of experience amounted to 46.59%, whereas 22.73% of them had 5 to 10 years of experience.

**Table II Relationship Between Change Valence and Readiness to Change**

Change Valence Indicators	R	R <sup>2</sup>	ANOVA (Sig.)
Perceived Need	0.303	0.092	0.004
Perceived Benefit	0.480	0.231	0.000
Perceived Urgency	0.426	0.181	0.000
Perceived Appropriateness	0.529	0.280	0.000

#### *Data Analysis*

Table II demonstrates that perceived appropriateness had the strongest correlation with the readiness to change ( $R=0.529$ ). The perceived need had the weakest correlation with the readiness to change ( $R=0.303$ ). Statistical value test results of the ANOVA significance on the four indicators of change valence was less than  $\alpha 0.05$ . It can be concluded the variables that can influence readiness to change was perceived need, perceived benefit, perceived urgency, and perceived appropriateness.

#### **4. Discussion**

The measurement results indicated that the average value of change valence was 4.69, which was in a high category. A high value on change valence is an indication that employees are capable of appreciating the changes. There are many reasons that organization members can value a change, such as they believe that an effective change solves crucial problems in the organization; they assume that the change benefits the organization and the individuals in accordance with their core values, and leaders or colleagues support.

Employees' perceptions of change efforts that occur within the organization are an important aspect of the readiness to change. In addition, employee perceptions of organizational readiness to change have been identified as an important factor in understanding sources of resistance to large-scale change [4]. This perception can facilitate or reduce the effectiveness of change interventions [1].

The indicators employed to measure the change valence in this study were perceived need, perceived benefit, perceived urgency, and perceived appropriateness [2,5]. Perceived need is an individual's assessment of their needs. In the readiness of organizational change, the perceived needs refer to an individual's assessment of the needs of organizational changes. The results of the study indicated that the value of perceived need was the highest average value in change valence by 4.69, which was in a high category, indicating that the employees felt that they needed to have a change. The change in question is the change from a non-educational hospital to a teaching hospital. Perceived benefit is an employee's assessment of the benefits to be gained after a change. Personal benefits for individuals have a broad meaning. It can be material, self-development, career path, or social relations improvement. The benefits that can be obtained personally can trigger the employees to

support and implement the totality of the changes. It is because the benefits of personal change can also be interpreted as compensation for the employees' effort in the changes process. Based on the results of the study, the value of perceived benefit reached a score of 4.88, which was in a high category.

It indicated that the employee expectation was high for the benefits that could be obtained individually in implementing the change to a teaching hospital. Positively, this expectation could trigger employee morale in preparing the implementation changes. But this expectation could also reduce employee confidence if the implementation did not benefit them as the expectation. Therefore, it is necessary to have an understanding of the hospital conditions that can occur after changing it to a new teaching hospital. The hospital management and the employees should have the same perception regarding the benefits to avoid employee disappointment due to the excessive expectations.

Perceived urgency is an individual's assessment of how urgent the change is to claim that the higher the urgency of change, the faster the change is implemented [6]. In less urgent situations, it can be more difficult for leaders to convince the organization to develop change. Based on the study results, perceived urgency had a value of 4.06, which was in the high category. It indicated that the employees felt that the change to a teaching hospital was urgent. If it were not done as quickly as possible, the organization's goals would not be maximally achieved.

Perceived urgency was relatively high. However, 48.87% of respondents had moderate and low perceived urgency levels. Based on the results of the crosstab level of perceived urgency with staffing positions, respondents who had moderate and low perceived urgency levels were all staff in the work unit. It showed that further communication was needed so that all employees thought that this change should be implemented immediately.

Perceived appropriateness is an individual's assessment of the appropriateness or suitability of changes to organizational conditions. The suitability of this change is important because each individual may feel that there are some forms of change that are required but not in accordance with the specific changes desired [7]. This kind of discrepancy has a well-meaning since the individuals participate and are actively involved in the process. Based on the results of the study, the value of perceived appropriateness was 4.10, which was in a high category.

It indicated that changing the hospital status into a teaching hospital was assessed according to the existing values, experiences, and organizational needs. It can also be interpreted that the change is conducted under the current state. The leadership required to produce change valence is transformational leadership, namely leadership that seeks to change the subordinates' behavior to have high ability and motivation, and strives to achieve high and quality work performance in achieving common goals [8]. Three ways of transformational leadership in influencing subordinates are (1) encouraging subordinates to be more aware of the importance of the job results, (2) encouraging subordinates to prioritize organizational interests rather than individual interests, (3) placing subordinates' needs at a higher level.

In the measurement of readiness to change, the majority of employees were at the preparation level amounted to 67.05%. It illustrated that the organization was ready to change its status into a teaching hospital. It is in accordance with Weiner (2009), who states that according to social cognitive theory [2], if the level of organizational readiness to change is high, then the organization members are willing to implement these changes. Thus the organization members are capable of initiating the implementation changes, showing a cooperative attitude in every implementation change effort, and are persistent in implementing changes.

However, those three aspects alone were not enough without implementing effective changes. The indicators employed to measure change valence in this study were communication, sponsorship or support, stakeholders, readiness, and training [9]. Communication is the process by which information is exchanged and understood by one or more parties, usually to motivate or influence behavior. Based on the study results, the communication indicator had a value of 4.32 below the preparation category.

The organization should inform all employees regarding the change strategy, starting from the lower level to the top leader. The organization conducts outreach on the existence of the program and explains the profit impacts when implementing the change strategy, and explains the disadvantages if the strategy is not implemented properly. The organization also relies on a strong leadership factor to communicate its vision, both employing direct and indirect communication through the programs they run. According to Reichers in Rafferty et al. (2013), good communication can increase acceptance, openness, and commitment to change. Besides, the lack of information can lead to several obstacles to

change[10]. Sponsorship is the support of someone who is a visionary and can help the team when facing resistance. When changes occur, direction and support from the leaders of the organization are required.

Armenakis in Eby et al. (2000) claimed that the extent to which organizational policies that support change is important to understand how an employee feels about the organization's readiness for change [1]. Based on the study results, this organization is at the preparation level for sponsorship indicators with a value of 4.87. It indicated that the change to a teaching hospital had the support of the organization leader. Support from the organization leader can provide great motivation for employees to conduct the changes. When the organization leader provides support both in the form of policies and activities, the employees are motivated to make changes.

Daff (1998) stated that leadership could encourage and support creativity to help followers and organizations accept and be prepared to change[11]. The stronger a leadership in an organization in taking action changes, the higher the level of organizational change achievements, and vice versa. It is also in line with the opinion of Palmer (2009) that the support of a visionary who will help the change team when facing resistance when change occurs[12]. Stakeholders are stakeholders in the organization in the management cycle to support the change management process. The previous study describes that the stakeholders who are impacting and/or affected by the policies, programs, and activities of the builder[13]. They can be communities, socioeconomic groups, or institutions in various dimensions in each class of society.

Stakeholder participation is certainly needed for the implementation of changes in the organization. Based on the results of the study, this organization has a preparation level of stakeholder indicators with a value of 5.06. It indicated that the chief executive had formed a strong collaboration between the parties concerned. Executive leaders are willing and able to build coalitions for change and are capable of managing resistance from interested parties.

According to Teodora (2016), employees with high leadership skills are used for each specific field to foster strong collaboration[14]. The executive leadership builds strong communication with employees to find out everything that employees need to get through a period of change. Readiness, referred to in this case, is the readiness of individuals for organizational change. An organization that is ready to change is an organization that is capable of making the people in it ready to adapt to the changes that exist by ensuring that the people in the organization have the right information and tools. If employees show an open attitude, prepare themselves well, and are ready for change, the attitude can support the organization's readiness to change.

This organization is at the preparation level for the readiness indicator, with a value of 4.85. According to Desplaces (2005), readiness to change reflects the beliefs, attitudes, and behavioral intentions of the change effort[15]. The most important resource used in the change plan is the readiness of human resources in facing the change program, while new technologies are also used in accordance with the change strategy.

This organization is at the preparation level for training indicators with a value of 4.86. It indicated that training and instruction to change into teaching hospitals are carried out well so that employees will easily accept the change process. The organization has understood and strengthened the expertise and knowledge competencies required by the employees to deal with the change in teaching hospitals. Based on the type of change according to O'Connor (1993), the organizational condition planning to change its status into a Teaching Hospital is a change that leads to the type of development or improvement in the organization[16].

Changing the organization status into a Teaching Hospital is expected to improve the quality of health services. In the field of education, the readiness of organizations to change has several contextual factors [2], including Organizational Culture Philipps (2017), which explains that organizational culture informs how organizational approaches change, regardless of available resources to support or not to support the changes. Specifically, certain organizational cultures have a positive impact on change [17]. The organizational culture or a decentralized culture where there is a deep gap between leaders and employees seems to have a positive impact on organizational change. According to Lehman et al. (2002), work creativity, the courage to take risks at work, and the availability to participate in work are factors that determine an organization's readiness to change[18].

According to Weiner (2009), it is necessary to promote policies and procedures of flexible organizational policies, procedures, and positive organizational climate, such as a good working

relationship in promoting organizational readiness. Changes that are supported by policies and procedures can trigger employees to make changes [2]. The experience influences the process of interpreting information through cognitive processes in individuals. Employees' perceptions also affect readiness for change. Information related to the change can be associated with the experience of each individual by giving attribution to the change efforts. Individuals have a certain view of the organization's readiness to change. This perception develops continuously along with individual development when it becomes part of the history of the organization [4]. Availability of Organizational Resources Weiner (2009) explains that the availability of resources could affect organizational readiness because the ability to implement changes depends on what programs and resources are required, how much time is needed, and how activities should be organized [2]. It is also supported by Klein et al. (1996), which explains that the availability of financial resources, management support, and values developed by employees are factors that determine the readiness of organizations to change [19]. Organizational structure can reflect and build organizational culture. Flatter and more collaborative organizational structure support the organizational culture in which change is valued [20]. According to Weiner (2009), these five factors can influence an organizational readiness to change through change valence and informational assessment [2].

The results of statistical calculations indicated that the change valence indicator affected readiness to change ( $p = 0,000$ ). It proved the theory of Weiner (2009) that there were two factors related to organizational readiness directly, i.e., change valence with the informational assessment [2]. It was also consistent with research conducted by Philipps et al. (2017), which stated that there was an influence between change valence on readiness to change [17]. Amernakis in Rafferty et al. (2013) claimed that change valence is an individual's assessment of the benefits and suitability of changes to be applied to his job and role [10]. If an individual does not believe that change has benefits, it is unlikely that the respective person would give a positive assessment of his readiness to change. The readiness of workgroups and organizations for change is the individuals' perception since the process of social interaction creates a unity of thought that impacts the collective phenomena at a higher level [10].

Rafferty et al. (2013) suggested that the readiness of the organization is closely related to the perception of individuals to change. Readiness to change is formed from individual assessments that collaborate through social contact within individuals to produce an attitude pattern that encourages positive behavior to change. The value of change valence is included in the high category, so an individual's assessment of organizational change has an impact on the readiness of the organization itself. Change valence collectively reflects individuals' tendencies in approving, accepting, and adopting specific plans that aim to change the current situation [21].

Based on the results of statistical tests, change valence indicators that affect readiness to change are perceived need, perceived benefit, perceived urgency, and perceived appropriateness. Therefore, to increase readiness, the management team needs to increase change valence related to the hospital status.

## **5. Limitation of the study**

This study could not analyze the problem based on the variable task characteristics and team size. Furthermore, this study examined based on team perception. The cause of the problem would be more visible by utilizing more variables to analyze and based on individual opinion.

## **6. Conclusion**

Most of the employees have a high level of change valence in changing the hospital status into a teaching hospital. The level of readiness to change is identified based on five indicators, including communication indicators, sponsorship indicators, stakeholder indicators, readiness indicators, and training indicators at the preparation levels. Change valence indicators that affect readiness to change include perceived need, perceived benefit, perceived urgency, and perceived appropriateness. Therefore, if the organization plans to increase its readiness to change, the management should consider the perceived appropriateness dimension more than any other aspect.

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