Strategic Thinking and Management of Employee Resistance to Changes

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Abstract
The present research examines the relationship between managers’ strategic thinking and employees’ resistance to preplanned changes in Telecommunications Company of Golestan Province. The research is a descriptive correlational study. The data were collected using two separate questionnaires including a ‘researcher-developed strategic thinking questionnaire’, and a ‘standard resistance to change questionnaire’. The reliability coefficients of the abovementioned questionnaires are 0.82 and 0.86, respectively. Cronbach’s Alpha test was used to measure the reliability coefficients. The content validity of the questionnaires was confirmed by asking for the opinions of strategic management, change management and organizational behavior scholars. According to the results, there is a significant negative (inverse) relationship between ‘managers’ strategic thinking’ and ‘employees’ resistance to change’. No significant relationship was observed between systems thinking and emotional resistance, opportunism and different dimensions of resistance; and futurism and behavioral resistance. The results also show that among the components of predictive variable, the relationship between systems thinking and conceptual thinking has the most influence on reducing the resistance. On the other hand, futurism variable had the least influence on reducing resistance.

Keywords: Characteristics of Strategic Thinking; Dimensions of Resistance to Change; Golestan-Province Telecommunication Company.

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1. Introduction

Change is an inevitable phenomenon caused by environmental dynamics [1]. Organizations need to adapt to these changes in order to survive [2, 3, 4]. Since change always makes employees to respond with resistance [5], the role of strategists as consistent thinkers who deal with complex and changing situations as they desire, becomes eminent and necessary [6]. In the 1990s, strategic theorists developed theories completely different from theories introduced in the 1960s. Firstly, they brought the classic approaches into the question. By drawing a clear distinction between analytical processes and mental synthesis, Henry Mintzberg rejected the foundation of strategic planning. Hamel and Prahalad in their numerous articles suggested that strategic planning be substituted with strategizing the organization [7, 8]. As the role of analytical planning diminished, strategic thinking emerged. Strategic thinking which is distinguished by features like diagnosis, leadership, creativity, helicopter attitude, long-term vision, opportunism and many other mental and personality traits can guarantee the success and influence of organization’s change plans [9].

The present study is significant in a variety of ways. Firstly, there has not been a coherent study of strategic thinking, so far. Most of the related studies have used qualitative methods to separately identify different elements of strategic thinking. Here, the study has first assessed strategic thinking among managers of Telecommunication Company of Golestan Province by using a comprehensive model. Subsequently, the correlation between managers’ strategic thinking and employees’ resistance to change was determined using quantitative methods.

Secondly, the combination of the literature of research variables has led to innovation. Thirdly, strategic thinking is considered as an ability and advantage placed at the top of organizational pyramid. On the other hand, achieving success in executing change plans and implementing new mental patterns requires managers to take into consideration other variables found at the middle, and operational levels of the organization. The gap is covered by discussing the employees’ resistance to change as the influential criterion variable.

2. Literature Review

Strategic Thinking. If there were no new strategy approaches, strategy had long been history. This is due to the fact that the nature of classic approaches to strategy is not compatible with the changing environment of today’s organizations [10, 11, 12].

Many experts believe that an effective strategy is a creative phenomenon constructed by strategists, and not by strategy planning processes [8]. Thus, planning should be substituted with development of strategic thinking. Strategic thinking has been emphasized in the field of strategic management since more than two decades ago [12, 13, 14, 15].

Lack of strategic thinking literature has created a gap between strategy and action [16], and Strategy thinking and other aspects of the development of the organizational path such as strategy, strategic management and strategic planning are often used interchangeably [17, 11, 14]. Furthermore, lack of strategic thinking in senior managers has been considered as a major factor reducing the efficiency of companies throughout different industries worldwide [12, 18, 19, 20].
Strategic thinking is a cognitive process coupled with strategic learning [21, 22]. It emphasizes on creative synthesis of mental ideas [23]. Strategic thinking utilizes a systemic and intuitive view in order to present a vision for the permanent success of the organization [13, 24, 25]. It has its roots in individual thinking which takes collective (group, organizational) dimensions in order to be operational in the form of strategic planning. Identifying the major factors influencing strategic thinking requires us to review previous related studies. For example, many scholars such as: (Ansof 1965; Aohmi 1982; Stacy 1993 [51]; Zabriskie & Holmantel, 1993 and Dilard Bates, 1993; Mintzberg, 1994; Raymond, 1996; Liedtka, 1998; Wilson, 1994 and 1998; Heracleous, 1998; Torest, 2001 [52]; Bonn, 2005; Goldman, 2005 and 2010; Nicklin, 2012) have identified the different components of strategic thinking, and consequently proposed some related models.

One of the latest models belongs to Alan Goldman, professor at City University in Washington. In 2005, he presented the model in his doctoral thesis titled “Becoming a strategic thinker”. By studying and categorizing studies conducted by Mintzberg, Liedtka and Hanford, he introduces strategic thinking as a combination of four factors including conceptual thinking, systems thinking, futurism and opportunism [9].

**Resistance to Change.** Change is the most common phenomenon observed in the activities of today’s organizations [26]. Resistance is also considered as a normal response to change [27, 28, 29] because change is a process that moves the organization from knowns to unknowns [30, 31, 32]. A review of related studies shows that resistance is a three-dimensional phenomenon: “cognitive, emotional and behavioral” [33, 34, 35, 36].

**Conceptual Thinking and Resistance to Change.** Strategists benefit from a feature called conceptual thinking which enables them to identify subjective and objective patterns and basic and crucial issues in order to understand the situations and phenomena and integrate different issues and factors into a mental framework [8]. That can identify the employees’ resistance to change. Subsequently, strategists rely on their experience, deductive reasoning capabilities and creativity in order to present some potential stable solutions aimed at reducing of overcoming employees’ resistance [37]. Furthermore, characteristics and functions of conceptual thinking are directly related to efficient use of assets, and efficiency, and effectiveness of organization’s plans including change plans.

**Systems Thinking and Resistance to Change.** The performance of an organization is dependent upon the interactions of its various components. According to the strategic thinking literature, strategists should have a systemic attitude [9][16], and identify various factors affecting the acceptance of change by employees so that the organizational climate and conditions (Commitment and feeling of ownership) becomes favorable and employees gain maximum flexibility to adapt to preplanned changes [38]. According to the guidelines of the senior managers, the employees have the flexibility to match the changes that are programmed. So, by increasing the driving forces and reducing the restraining forces, strategists control resistance to change, and lead change plans down the road to success.
Opportunism and Resistance to Change. The concept of opportunism in economy and politics refers to the competition between groups, parties, institutions and other similar entities at the organizational level [39, 40]. Strategic thinking should always welcome new ideas. This expands the available strategic options and facilitates the achievement of an effective strategy. The nature of the concept of opportunism is concerned with using employees’ experience and new ideas in order to find the most suitable way for implementing change plans [41]. Moreover, this will reinforce the driving forces of change plans, and will enable strategists to take maximum advantage of the strategic options emerging in organization’s changing environment.

Futurism (Anticipating the Future) and Resistance to Change. Futurism, predictions and prophecies are not so special. In fact, they are a systemic thinking process about the future. In other words, it forms some reasonable expectations to identify opportunities and threats facing the organization, and to provide measures to promote optimal outcomes [42]. Strategic thinkers can use their foresight capabilities to design future scenarios and change plans and become aware of the early problems of the change process. This suggests that their initiative is effective in overcoming the resistance [43]. Kanter et al. (1992) have drawn a clear distinction between strategists, implementers and receivers (those who feel the change) and their roles, so that they can get a clear descriptive picture of the key players of the change process. This attempt emphasizes the important role of strategists in reducing employees’ resistance to change. Strategic thinkers are those individuals who can diagnose the need to change after sensing tensions between the organization and its environment [44].

Strategic Thinker role in Reducing Employee Resistance to Change. Strategists are often found among the senior managers of organizations. Strategic decisions and strategic change planning are carried out by strategists. This is what distinguishes organizations from one another. In other words, strategists play an important role in distinguishing organizations from each other [46]. Igor Ansoff (1990) claims that strategists should take the following measures in order to break resistance to change: identifying and monitoring sources of resistance to change, overcome the resistance caused by misunderstanding and the feeling of uncertainty and insecurity, supporting and enforcing change, planning the change process, and monitoring and controlling the implementation of the change process [45, 47]. It should be noted that taking aforementioned measures would not be possible without having a conceptual attitude and conceptual thinking capabilities, especially, in the field of strategic change planning. Three other researchers including: Jonas, Frye and Srivastava have studied the impact of organizational strategists on change plans. They argue that in every organization, strategists have three main responsibilities: providing proper conditions for change, creating commitment and a sense of ownership, and keeping the balance between stability and innovation [38]. More precisely, Kotter and Schelesinger believe that senior managers have a significant role in the effectiveness and success of change plans, and one of their major tasks in implementing change is to overcome resistance [48].
3. Problem Description
As previous related studies have all emphasized the existence of a relationship between strategic thinking and employees’ resistance to organizational change and with regard to the massive changes made in Telecommunication Company of Golestan Province, the present articles tries to find the answer to the following major question:
1. Is there a significant relationship between different features of managers’ strategic thinking and employees’ resistance to change in Telecommunication Company of Golestan Province?
In this regard, the minor questions would be as follows:
2. Is there a significant relationship between managers’ conceptual thinking and employees’ cognitive, emotional and behavioral resistance to change?
3. Is there a significant relationship between managers’ systemic attitude and employees’ cognitive, emotional and behavioral resistance to change?
4. Is there a significant relationship between managers’ opportunism and employees’ cognitive, emotional and behavioral resistance to change?
5. Is there a significant relationship between managers’ futurism and employees’ cognitive, emotional and behavioral resistance to change?

4. Methodology
The present study is considered as an applied research. It is aimed to examine the relationship between variables of strategic thinking and resistance to change through descriptive methods. In fact, these methods were mainly used to examine the research variables in a descriptive way, and to identify the relationship among them in the Iranian Society, especially, in Telecommunication Company of Golestan Province. Thus, the main goal of this study is to investigate the relationship between features of managers’ strategic thinking and dimensions of employees’ resistance to change in Telecommunication Company of Golestan Province.

The research population consisted of all of the official employees and managers of Telecommunication Company of Golestan Province. The population size of employees was 460. According to Kerjsey and Morgan table (1970), the sample size of employees was estimated 210. Stratified-cluster sampling was used and random sampling was conducted in each stratum. The population size of managers was 85. According to the aforementioned table, the sample size of managers was estimated to be 70. The main advantages of this method are its low risk of bias, and the high generalizability of its findings. The number of distributed questionnaires is 10% larger than the sample size, so that the limitations of the method used can be controlled. As a result, 241 and 77 questionnaires were distributed among employees and managers, respectively. Subsequently, 210 and 70 questionnaires were selected randomly.

Strategic thinking questionnaire and resistance to change questionnaire were distributed among managers and employees, respectively. They had a 45-day deadline to complete the questionnaires, and this was determined in order to prevent any negligence and to ensure the accuracy of the answers. The questionnaires were distributed after homogenizing the sample (contract employees were removed from the sample which shall only consist of official employees). Based on the two research variables, two separate questionnaires were used in the research. The questionnaire for assessing strategic thinking of managers was researcher-developed
and consisted of 20 items. Its content and face validity were both confirmed by some scholars of strategic thinking. Using Cronbach’s Alpha coefficient ($\alpha = 0.82$), the questionnaire’s reliability was confirmed after distributing 30% percent of questionnaires. In order to assess employees’ resistance to change, a revised and modified version of Oreg’s (2006) questionnaire (15 items) was used ($\alpha = 0.88$).

**5. Results and Discussion**

The present study is aimed to investigate the relationship between the skills of organizational strategists (strategic thinkers) and employees’ resistance to change in Telecommunication Company of Golestan Province. According to the descriptive statistical data, demographic features of the sample are as follows:

Managers: 98.6% male and 1.4% female; 48 people with bachelor degree, 17 people with master degree and 5 people with PhD.

Employees: 89.3% male and 10.7% female; 22 people with diploma, 56 people with associate degree, 101 people with bachelor degree and 17 people with master degree.

Managers with higher academic degrees have a higher level of strategic thinking compared to the other managers (See Table 1).

<table>
<thead>
<tr>
<th>Statistical Indicators</th>
<th>Variable</th>
<th>The number</th>
<th>Average</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>PHD</td>
<td>5</td>
<td>80</td>
<td>9.5</td>
</tr>
<tr>
<td>Education</td>
<td>MAs</td>
<td>17</td>
<td>72.3</td>
<td>4.9</td>
</tr>
<tr>
<td></td>
<td>Bachelor</td>
<td>48</td>
<td>71.8</td>
<td>8.2</td>
</tr>
</tbody>
</table>

Table 1. Measuring the descriptive index of managers’ strategic thinking According to their education

Due to the nature of the study and after consulting with statistics experts, Kolmogorov–Smirnov test was used to ensure the normal distribution of data ($P > 0.05$). Test results are shown in Table 2. Subsequently, Pearson correlation
Strategic Thinking and Management of...

A coefficient was used (P<0.05) to determine the predictive variable, and correlation coefficients’ significance test (t statistic) was used to analyze the variance.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sample Size</th>
<th>Test Statistic</th>
<th>Sig</th>
<th>Resultstest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Resistance</td>
<td>210</td>
<td>1.35</td>
<td>0.051</td>
<td>N.D</td>
</tr>
<tr>
<td>Cognitive Resistance</td>
<td>210</td>
<td>1.43</td>
<td>0.33</td>
<td>N.D</td>
</tr>
<tr>
<td>Behavioral Resistance</td>
<td>210</td>
<td>1.55</td>
<td>0.16</td>
<td>N.D</td>
</tr>
<tr>
<td>Systems thinking</td>
<td>70</td>
<td>1.37</td>
<td>0.47</td>
<td>N.D</td>
</tr>
<tr>
<td>Conceptual thinking</td>
<td>70</td>
<td>0.81</td>
<td>0.52</td>
<td>N.D</td>
</tr>
<tr>
<td>Futurism</td>
<td>70</td>
<td>1.08</td>
<td>0.18</td>
<td>N.D</td>
</tr>
<tr>
<td>Opportunism</td>
<td>70</td>
<td>1.006</td>
<td>0.26</td>
<td>N.D</td>
</tr>
<tr>
<td>STRATEGIC THINKING</td>
<td>70</td>
<td>0.57</td>
<td>0.9</td>
<td>Normal Distribution</td>
</tr>
</tbody>
</table>

Table 3 consists of some information about mean, standard deviation and Cronbach’s Alpha values of research variables including managers’ strategic thinking and employees’ resistance to change.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Average</th>
<th>Standard deviation</th>
<th>Alpha’s Cronbach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional</td>
<td>11.6020</td>
<td>1.59319</td>
<td>--</td>
</tr>
<tr>
<td>Cognitive</td>
<td>11.9643</td>
<td>1.40101</td>
<td>--</td>
</tr>
<tr>
<td>Behavioral</td>
<td>11.7296</td>
<td>1.23344</td>
<td>--</td>
</tr>
<tr>
<td>RESISTANCE TO CHANGE</td>
<td>35.2959</td>
<td>3.35952</td>
<td>0.86</td>
</tr>
<tr>
<td>Systems thinking</td>
<td>10.9643</td>
<td>2.26540</td>
<td>--</td>
</tr>
<tr>
<td>Conceptual thinking</td>
<td>24.2755</td>
<td>3.66349</td>
<td>--</td>
</tr>
<tr>
<td>Futurism</td>
<td>15.3776</td>
<td>2.75314</td>
<td>--</td>
</tr>
<tr>
<td>Opportunism</td>
<td>20.9184</td>
<td>2.65706</td>
<td>--</td>
</tr>
<tr>
<td>STRATEGIC THINKING</td>
<td>71.5357</td>
<td>8.33120</td>
<td>0.82</td>
</tr>
</tbody>
</table>

Table 4: shows the correlation matrix of research variables (strategic thinking and resistance to change) with the error level (P<0.01). As it can be seen, a strong positive correlation exists between all the features of strategic thinking. The same is true about all the dimensions of resistance to change too. This indicates that there is a convergence between components of strategic thinking and resistance to change. Moreover, features of strategic thinking and dimensions of resistance to change are negatively correlated, and all the values at the confidence level of 0.99 are significant. This means that improving thinking features of organizational strategists (conceptual thinking, systems thinking, futurism and opportunism) which are acquisitive according to the research literature will reduce employees’ resistance to change. This will also manage one of the most obligatory paradigms influencing the success of change plans.
As shown in the Table 4, at the confidence level of 0.99, the strongest significant reverse relationships belong to systems thinking and behavioral resistance was (0.93), systems thinking and cognitive resistance was (0.37), systems thinking and emotional resistance was (0.96). The relationship between conceptual thinking and emotional resistance was (0.388), conceptual thinking and cognitive resistance was (0.215), futurism and emotional resistance was (0.224) and futurism and cognitive resistance was (0.191) which are ranked second. From among other components, the relationship between opportunism and behavioral and emotional resistance and futurism and behavioral resistance were the weakest.

This shows that strategic thinkers of the organization have weak opportunism and futurism skills. If we enhance strategic thinkers’ opportunism and futurism skills, the resistance to change will reduce. If these skills remain weak, the strategists will have problems in implementing organizational change plans.

6. Conclusions and Future Works

The final goal of this study was is to investigate the relationship between managers’ strategic thinking and employees’ resistance to change in Telecommunication Company of Golestan Province. In this regard, the results show that there is a significant negative (inverse) relationship between managers’ strategic thinking and employees’ resistance to change. Hypotheses 3, 5, 7, 8, 9 and 12 are exceptions. In other words, the stronger was the organizational strategists’ strategic thinking, the weaker was the employees’ resistance to change. The results meet the expectations of pioneers of strategic thinking including Liedtka, Heraklius, Mintzberg, Hanford and etc. Furthermore, the results indicate that the relationships between “conceptual thinking and emotional and cognitive resistance to change”, “systems thinking and behavioral and cognitive resistance to change” and “futurism and emotional and cognitive resistance to change” are negative (inverse). The results are somehow in conformity with findings of Hanford (1995) [49], Jeanne Liedtka (1998) and Alan Goldman (2005 & 2010). According to the most noteworthy result, there is no relationship between components of opportunism and dimensions of the criterion variable (resistance to change). We can conclude that the components of
opportunism are concepts that are not highly compatible with business ethics and culture in Iran. Thus, opportunist individuals often face problems in the workplace. This is mainly because the culture does not allow strategic thinkers in Iran to use opportunities in their own or their organizations’ advantage through political tricks and imposing costs on others. The result contradicts Globe’s findings in Iran which emphasize that the power distance in Iran is so great that they reinforce opportunistic behaviors [8].

Managers as organizational strategists are considered as one of the most important components involved in producing change. They can implicitly use the research results to overcome the different dimensions of resistance to change (emotional, cognitive, and behavioral), and enhance their strategic thinking skills. Earlier, Lewine (1951) had acknowledged the same point about behavioral resistance. But, the research results show that this is true for all the dimensions of resistance to change (emotional, cognitive, and behavioral).

According to Lewine, reducing resistance to change is more effective than breaking it (Lewine, 1951). Cognitive and emotional resistances are not considered apparent obstacles to change as behavioral resistance is. But, we should not ignore their negative impact on employees’ motivations, which in turn will deteriorate their performance. According to Cashman’s (1998) theories on emotional resistance, both emotional and cognitive resistance can make employees limit the use of their talents in the path toward a vague future [50]. Thus, it is expected that it will deteriorate organization’s performance in the long run. As a result, organizational strategists can utilize their strategic thinking skills to take appropriate measures, so that they can manage any resistance to change.

The present study can be considered as one of the new studies consisting of multilevel and inter-level analyses. It confirms the findings of new behavioral studies that have observed a relationship between individuals’ traits (cognitive and personality). In this study, individual traits of the strategists, and different dimensions of employees’ resistance to change (tangible and intangible) are considered as the predictive and criterion variables, respectively. The different dimensions of resistance to change are regarded as individual behaviors or at most group behaviors. On the other hand, the research variables are multilevel, and the links between these levels confirms the existence of inter-level relationships.
Reference